



REPUBLIC OF THE PHILIPPINES

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Pasay City

Journal

SESSION NO. 54

Wednesday, December 20, 2006

**THIRTEENTH CONGRESS
THIRD REGULAR SESSION**

SESSION NO. 54
Wednesday, December 20, 2006

CALL TO ORDER

At 3:41 p.m., the Senate President, Hon. Manny Villar, called the session to order.

PRAYER

Sen. Miriam Defensor Santiago read the Christmas prayer written by Nahum Tate in the 17th century, to wit:

While shepherds watch
their flocks by night,
All seated on the ground,
The angel of the Lord came down,
And glory shone around.

“Fear not!” said he, for mighty dread
Had seized their troubled mind;
“Glad tidings of great joy I bring
To you and all mankind.”

“To You, in David’s town, this day
Is born of David’s line,
A Savior who is Christ the Lord;
And this shall be the sign:
The heavenly Babe you there shall find
To human view displayed,
All meanly wrapped in swaddling bands
And in a manger laid.”

Then spoke the seraph; and forthwith
Appeared a shining throng
Of Angels praising God, and thus
Addressed their joyful song:
“All glory be to God on high,
And to the earth be peace;
Good will henceforth from heaven to men
Begin and never cease!”

ROLL CALL

Upon direction of the Chair, the Secretary of the Senate, Oscar G. Yabes, called the roll, to which the following senators responded:

Angara, E. J.	Flavier, J. M.
Arroyo, J. P.	Lacson, P. M.
Cayetano, C. P. S.	Lim, A. S.
Defensor Santiago, M.	Magsaysay Jr., R. B.
Drilon, F. M.	Pimentel Jr., A. Q.
Ejercito Estrada, J.	Recto, R. G.
Ejercito Estrada, L. L. P.	Roxas, M.
Enrile, J. P.	Villar, M.

With 16 senators present, the Chair declared the presence of a quorum.

Senators Biazon, Gordon, Madrigal, Osmeña, Pangilinan and Revilla arrived after the roll call.

Senator Lapid was on official mission.

APPROVAL OF THE JOURNAL

Upon motion of Senator Cayetano, there being no objection, the Body dispensed with the reading of the *Journal of Session No. 52* and considered it approved.

DEFERMENT OF APPROVAL OF THE JOURNAL

Upon motion of Senator Cayetano, there being no objection, the Body deferred the consideration and approval of the *Journal of Session No. 53* (December 19, 2006) to a later day.

REFERENCE OF BUSINESS

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

BILL ON FIRST READING

Senate Bill No. 2561, entitled

AN ACT TO IMPROVE EFFICIENCY IN
THE DELIVERY OF GOVERNMENT

SERVICE TO THE PUBLIC BY
REDUCING BUREAUCRATIC RED
TAPE, PREVENTING GRAFT AND
CORRUPTION, AND PROVIDING
PENALTIES THEREFOR

Introduced by Senator Lacson

**To the Committee on Civil Service and
Government Reorganization**

ADDITIONAL REFERENCE OF BUSINESS

**MESSAGE FROM THE
HOUSE OF REPRESENTATIVES**

Letter from the Secretary General of the House of Representatives, informing the Senate that on 18 December 2006, the House of Representatives approved the Bicameral Conference Committee Report on the disagreeing provisions of House Bill No. 4067, entitled

AN ACT PROVIDING HANDLINE
FISHING AND PROVIDING REGULA-
TIONS FOR UTILIZATION OF
HANDLINE FISHING BOATS,

and Senate Bill No. 2522, entitled

AN ACT DEFINING HANDLINE FISHING,
PROVIDING EFFECTIVE REGULA-
TIONS THEREFOR AND FOR
OTHER PURPOSES.

To the Archives

COMMITTEE REPORTS

Committee Report No. 200, submitted by the Committee on Public Works, on House Bill No. 4084, introduced by Representative Alfelor Jr., entitled

AN ACT RENAMING THE SAGRADA –
LIDONG ROAD EXTENDING FROM
THE PROVINCE OF CAMARINES
SUR TO THE PROVINCE OF ALBAY
AS DIOSDADO MACAPAGAL
HIGHWAY,

recommending its approval without amendment.

Sponsor: Senator Ramon “Bong” Revilla Jr.

To the Calendar for Ordinary Business

Committee Report No. 201, submitted by the Committee on Public Works, on House Bill No. 4085, introduced by Representative Marcos, entitled

AN ACT NAMING THE SAN NICOLAS
– SOLSONA PORTION OF THE
ILOCOS NORTE – APAYAO ROAD
AS THE JOSEFA LLANES ESCODA
NATIONAL HIGHWAY,

recommending its approval without amendment.

Sponsor: Senator Ramon “Bong” Revilla Jr.

To the Calendar for Ordinary Business

Committee Report No. 202, submitted by the Committee on Public Works, on House Bill No. 1605, introduced by Representative Ortega, entitled

AN ACT RENAMING PENNSYLVANIA
AVENUE IN THE CITY OF SAN
FERNANDO, PROVINCE OF LA
UNION, AS GOVERNOR JOAQUIN
L. ORTEGA AVENUE,

recommending its approval without amendment.

Sponsor: Senator Ramon “Bong” Revilla Jr.

To the Calendar for Ordinary Business

Committee Report No. 203, submitted by the Committee on Public Works, on House Bill No. 1243, introduced by Representative Veloso, entitled

AN ACT NAMING THE CIRCUM-
FERENTIAL ROAD CONNECTING
THE MUNICIPALITIES OF VILLABA,
TABANGO, SAN ISIDRO, CALUBIAN
AND LEYTE-LEYTE AS MARCELINO
R. VELOSO NATIONAL HIGHWAY,

recommending its approval without amendment.

Sponsor: Senator Ramon “Bong” Revilla Jr.

To the Calendar for Ordinary Business

Committee Report No. 204, submitted by the Committee on Public Works, on House Bill No. 4457, introduced by Representative Aquino (R), entitled

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AN ACT RENAMING THE GAPAN – SAN FERNANDO – OLONGAPO ROAD (GSO ROAD) AS JOSE ABAD SANTOS AVENUE (JSA),

recommending its approval without amendment.

Sponsor: Senator Ramon “Bong” Revilla Jr.

To the Calendar for Ordinary Business

Committee Report No. 205, submitted by the Committee on Public Works, on House Bill No. 2753, introduced by Representative Reyes, entitled

AN ACT NAMING THE SOUTHERN TAGALOG ARTERIAL ROAD (STAR) TO APOLINARIO MABINI SUPERHIGHWAY (AMS),

recommending its approval without amendment.

Sponsor: Senator Ramon “Bong” Revilla Jr.

To the Calendar for Ordinary Business

Committee Report No. 206, submitted by the Committee on Public Works, on House Bill No. 189, introduced by Representative Remulla (G), entitled

AN ACT RENAMING THE ENTIRE PORTION OF GEN. TRIAS – AMADEO – TAGAYTAY ROAD FROM GOVERNOR’S DRIVE TO TAGAYTAY CITY IN THE PROVINCE OF CAVITE TO CRISANTO M. DE LOS REYES AVENUE,

recommending its approval without amendment.

Sponsor: Senator Ramon “Bong” Revilla Jr.

To the Calendar for Ordinary Business

Committee Report No. 207, submitted by the Committee on Public Works, on House Bill No. 1667, introduced by Representative Ortega, entitled

AN ACT RENAMING CALIFORNIA AVENUE IN THE CITY OF SAN FERNANDO, PROVINCE OF LA UNION, AS MAYOR LORENZO L. DACANAY AVENUE,

recommending its approval without amendment.

Sponsor: Senator Ramon “Bong” Revilla Jr.

To the Calendar for Ordinary Business

**COMMITTEE REPORT NO. 77
ON SENATE BILL NO. 2260
(Continuation)**

Upon motion of Senator Cayetano, there being no objection, the Body resumed consideration, on Second Reading, of Senate Bill No. 2260 (Committee Report No. 77), entitled

AN ACT AMENDING REPUBLIC ACT NO. 7227, AS AMENDED, OTHERWISE KNOWN AS THE BASES CONVERSION AND DEVELOPMENT ACT OF 1992, AND FOR OTHER PURPOSES.

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

The Chair recognized Senator Recto, Sponsor of the measure.

**MANIFESTATION
OF SENATOR DEFENSOR SANTIAGO**

Expressing full support for Senate Bill No. 2260, Senator Defensor Santiago noted that the measure is consistent with the grant of tax amnesty recommended in Committee Report No. 76 on Senate Bill No. 2259. She described the bill as straightforward and uncontroversial, and she urged the Body to support it, adding that the proposed tax rate increase on gross income from three percent to five percent would not discourage investment since the zones have excellent infrastructure relative to the rest of the country, and raw materials and capital goods that are not diverted to the domestic market would remain exempted from duties and taxes. Further, she pointed out that the proposed Act reasonably expands the areas that would benefit from the two percent share in the gross income tax to include Olongapo City and the municipalities of Subic, San Antonio, San Marcelino and Castillejos of the province of Zambales, and the municipalities of Morong, Hermosa and Dinalupihan in the province of Bataan. She added that the measure removes the requirement to establish a local development fund, which is consistent with local government autonomy and besides, she

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pointed out that the national government and the DILG do not monitor how the fund is being utilized.

Finally, Senator Defensor Santiago noted that the proposed Act extends the tax incentives enjoyed by investors in Subic to registered business enterprises engaged in export-oriented and tourism-related activities registered with the Clark Special Economic Zone, Poro Point Special Economic and Free Port Zone, John Hay Special Economic Zone and Morong Special Economic Zone, an extension which she described as reasonable because Philippine exporters would be allowed to compete with Asian exporters who are given similar if not more generous incentives. She opined that there is no reason for giving such incentives to investors in Subic but not to investors in Clark.

SUSPENSION OF CONSIDERATION OF SENATE BILL NO. 2260

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

SUSPENSION OF SESSION

With the permission of the Body, the Chair suspended the session.

It was 3:52 p.m.

RESUMPTION OF SESSION

At 3:55 p.m., the session was resumed.

COMMITTEE REPORT NO. 196 ON SENATE BILL NO. 2541

(Continuation)

Upon motion of Senator Flavier, there being no objection, the Body resumed consideration, on Second Reading, of Senate Bill No. 2541 (Committee Report No. 196), entitled

**AN ACT PROVIDING FOR THE
CONTROL AND ELIMINATION OF
RABIES, PRESCRIBING PENALTIES
FOR VIOLATION THEREOF AND
APPROPRIATING FUNDS THEREFOR.**

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

The Chair recognized Senator Cayetano, Sponsor of the measure, and Senator Defensor Santiago for her amendments.

DEFENSOR SANTIAGO AMENDMENTS

Preliminarily, Senator Defensor Santiago stated that the enactment into law of the Anti-Rabies Act of 2006 would mark the reduction and the eventual eradication of the most fatal disease known to man. While only 300 to 400 Filipinos die from rabies yearly, she said that there are at least 200 to 300 Filipinos per 100,000 population who are victims of rabid dogs and animals. She acknowledged that the incidence of rabies in the Philippines may be considered low as compared to other infectious diseases like pneumonia, diarrhea, malaria, and measles, but she pointed out that it is only rabies that records a 100% mortality no matter what form of management is given to the patient; there is no recorded patient who has survived rabies and encephalitis in the Philippines. She noted that in world literature, there are less than ten survivors from this deadly disease, none of them contracted rabies through dog bites, but through laboratory accidents or other unusual modes of transmission.

Further, Senator Defensor Santiago observed that in the country, 98% of human rabies is transmitted by dogs and two percent by cats and other animals; thus, the most cost effective measure against rabies is through vaccination of dogs and other pets, as well as education of dog and other pet owners.

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

1. Reword the title of the bill to read as follows:
**AN ACT PROVIDING FOR THE CONTROL
AND ELIMINATION OF HUMAN AND
ANIMAL RABIES, PRESCRIBING
PENALTIES FOR VIOLATION
THEREOF AND APPROPRIATING
FUNDS THEREFOR;**
2. On page 1, line 6, between the words "of" and "Rabies," insert the words **HUMAN AND ANIMAL;**
3. On the same page, line 7, before the word "ownership," and wherever it appears in the bill, change the word "Dog" to **PET;**

Senator Defensor Santiago stated that Section 2 should specify eradication of human and animal

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rabies and that responsible pet ownership is more appropriate instead of emphasizing only dog ownership because other pets like cats can also transmit rabies, and that, in fact, a cat bite is just as severe as a dog bite.

Senator Cayetano said that responsible dog ownership is part of the education campaign in schools and LGUs.

4. On page 3, line 1, before the word "fatal," insert the word HIGHLY, and on line 4, replace the word "others" with OTHER NEUROLOGICAL MANIFESTATIONS;
5. On the same page, line 5, after the word "Vaccination," insert the words OF DOGS;
6. On the same page, after line 4, insert the following subparagraphs to read as follows:

RABIES TRANSMISSION REFERS TO THE TRANSMISSION OR PASSAGE OF THE RABIES VIRUS THROUGH A BITE BY AN INFECTED ANIMAL, OR THROUGH CONTAMINATION WITH VIRUS-LADEN SALIVA ON BREAKS IN THE SKIN AND OF MUCOUS MEMBRANE SUCH AS THE EYES, THE LIPS, THE MOUTH OR THE GENITAL ORGANS.

RABIES VACCINATION OF HUMANS REFERS TO THE INOCULATION OF HUMANS, WITH MODERN DAY RABIES VACCINE OR RABIES IMMUNOGLOBULIN, BY A TRAINED DOCTOR OR NURSE UNDER THE SUPERVISION OF A QUALIFIED MEDICAL PRACTITIONER;

7. On the same page, after line 11, insert the following subsections to read:

POST-EXPOSURE TREATMENT (PET) REFERS TO AN ANTI-RABIES TREATMENT ADMINISTERED AFTER AN EXPOSURE TO RABIES, WHICH INCLUDES LOCAL WOUND CARE, RABIES VACCINE, WITH OR WITHOUT ANTI-RABIES IMMUNIZING AGENT.

PRE-EXPOSURE PROPHYLAXIS (PEP) REFERS TO RABIES VACCINATION ADMINISTERED BEFORE AN EXPOSURE TO RABIES TO THOSE WHO ARE AT HIGH RISK OF GETTING RABIES;

8. Reletter the subsections accordingly;
9. On page 4, line 6, after the word "victims," insert the phrase PROVISION OF FREE ROUTINE IMMUNIZATION OR PRE-EXPOSURE PROPHYLAXIS (PEP) OF

SCHOOLCHILDREN AGED FIVE TO FOURTEEN (5-14) IN AREAS WHERE THERE IS HIGH INCIDENCE OF RABIES;

Senator Defensor Santiago stated that 53% of patients bitten or licked by rabid animals are schoolchildren belonging to the five to 14 age group, and the World Health Organization (WHO) has recommended that PEP should be given to high-risk individuals who are residents of rabies-endemic areas. She informed the Body that the local government of Cabusao, Camarines Sur, in cooperation with the DOH, DA, and DepEd, has given pre-exposure prophylaxis to 10,000 schoolchildren for free and that a year after the program's completion, the incidence of human rabies dropped significantly.

10. On page 4, before the word "Owner," change the word "Dog" to PET;
11. On page 10, after line 4, insert a new subsection "11" to read as follows:
 11. REQUIRE PET SHOPS TO POST INFORMATION REGARDING RABIES AND RESPONSIBLE PET OWNERSHIP;
12. Renumber the subsequent sections accordingly;
13. On page 11, after line 1, insert a new subsection "4" to read as follows:
 4. PROMOTION OF THE ANTI-RABIES CAMPAIGN DURING OR ANY ANIMAL SHOWS; and
14. Renumber subsequent sections accordingly.

ACKNOWLEDGMENT OF THE PRESENCE OF GUESTS

At this juncture, Senator Madrigal acknowledged the presence of some private veterinarian practitioners headed by Dr. Enrique Carlos, chairman of the Committee on Animal Welfare; Dr. Perry Peralta of the Philippine College of Canine Practitioners; Dr. David Arceo of the Philippine Animal Welfare Society (PAWS); Dr. Donato of the Philippine Animal Hospital Association; and from the NGOs, Mona Consunji of the Animal Welfare Coalition and Nancy Kunjeng of Compassion and Responsibility for Animals (CARA).

INQUIRIES OF SENATOR MADRIGAL

Senator Madrigal stated that according to the World Society for the Protection of Animals (WSPA),

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there are 26 million dogs in the Philippines, and not eight million per the information given by the Committee on Health and Demography.

Senator Cayetano clarified that the information provided to the Committee came from the DA, which was also supported by the Veterinary Practitioners Association of the Philippines. Nonetheless, she said that the DA would be more than happy to have an increased budget.

Senator Madrigal pointed out that the issue is not only on budgetary increase to fund the rabies vaccination campaign but also on the determination of the total number of stray dogs that need to be vaccinated since most privately owned dogs are kept in homes and vaccinated. Senator Cayetano believed that if majority of the 26 million dogs are privately owned, it should have been reported, assuming that private veterinarians are mandated to provide the national government with statistics.

Senator Madrigal noted that regardless of which figure is accurate with respect to the dog population in the country, there was no breakdown on the number of privately owned and stray dogs, which is important in determining the target of the campaign like what has been done in Marikina City. She said that the State does not have to pay for the vaccination of privately owned dogs. Senator Cayetano clarified that part of the requirements in the bill is to register dog ownership.

Senator Cayetano maintained that her statistics are supported by the Bureau of Animal Industry; the National Advisory Committee for National Disease Control; the Departments of Agriculture, Health, Education, and Interior and Local Government; and some NGOs. She believed that the present figures would be the starting point for the anti-rabies program even as she hoped that the passage of the bill might help gather more accurate data.

On the observation that the eight million figure was probably a 10% estimate of the human population which is the standard estimation procedure used by government, Senator Cayetano expressed doubt on the physical count even as she acknowledged that at the moment she could not provide additional information like the estimate by agency.

Senator Madrigal pointed out that the eradication of rabies is not merely determining the population of

dogs and then mandating their vaccination. She stressed that there are now eight million stray dogs and it would be impractical for government to allocate a budget for a vaccination program which would include privately owned dogs.

On a related matter, Senator Madrigal cited the anti-rabies campaign of Singapore which requires the vaccination of imported dogs six months before arrival in Singapore where it is customary to vaccinate dogs annually. She informed the Body that Singapore also has a very good registration system for dogs, both imported and locally born, using a sub-cutaneously imported ISO compatible microchip that helps track down animals.

Asked about the distinction between dog registration and dog licensing, Senator Cayetano explained that the bill refers only to dog registration. Senator Madrigal clarified that registering dogs is very different from licensing. She disclosed that each dog in Singapore has a license tag.

SUSPENSION OF SESSION

Upon motion of Senator Madrigal, the session was suspended.

It was 4:27 p.m.

RESUMPTION OF SESSION

At 4:28 p.m., the session was resumed.

Asked what "veterinary neuroleptic drugs" are, Senator Cayetano explained that she was limited to the definition of the term on lines 13 and 14 of page 2 of the bill.

SUSPENSION OF SESSION

Upon motion of Senator Cayetano, the session was suspended.

It was 4:30 p.m.

RESUMPTION OF SESSION

At 4:31 p.m., the session was resumed.

Upon resumption, Senator Cayetano clarified that "veterinary neuroleptic drugs" was included in the definition because of Section 6, subparagraph 6. As to what circumstances would warrant the use of ~~it~~

the drugs, she explained that the intention was to leave the details on dosage and breed of dogs to the implementing rules and regulations.

Senator Madrigal stressed that the use of neuroleptic drugs is one of the major objections of a great number of private veterinarians as leaving the determination of the use of such drugs to LGUs or to the implementing agencies might do a lot of harm.

SUSPENSION OF SESSION

Upon motion of Senator Madrigal, the session was suspended.

It was 4:34 p.m.

RESUMPTION OF SESSION

At 4:36 p.m., the session was resumed.

Upon resumption, Senator Cayetano expressed willingness to accept an amendment at the proper time which would limit the use of neuroleptic drugs to one that is safe and acceptable to the majority.

Senator Madrigal raised the concern of veterinarians on the use of neuroleptic drugs that are merely tranquilizers and not very strong barbiturates since the bill does not prohibit the use of electrocution as a form of euthanasia. She explained that the meat of stray dogs injected with barbiturates could no longer be sold since the drug is toxic. On the other hand, she pointed out that electrocution, while prohibited under the Animal Welfare Code, would encourage a lucrative illegal meat trade and turn dog pounds into illegal meat markets. Senator Cayetano expressed willingness to accept an amendment at the proper time.

Noting that the vaccine would cost about P26 per shot according to veterinarians, Senator Madrigal asked how the price difference would be reconciled, Senator Cayetano explained that the vaccines are being purchased by the World Health Organization (WHO) in bulk and enter the country duty-free and while the prices differ according to the manufacturers, they are not far off the P10 price mentioned in the bill. She added that the government would fund the cost of the vaccines.

Asked if there is any provision in the bill on the proper handling and storage of the vaccines,

Senator Cayetano replied that the vaccines purchased by the WHO are delivered directly to the Bureau of Animal Industry (BAI) for cold storage and safekeeping, and the BAI, in turn, would distribute them to the LGUs in batches, upon request.

On the claim that the LGUs are not in a position to know how much vaccine to request since they do not have the exact number of stray dogs in their areas, Senator Cayetano admitted that the procurement of vaccines is based on estimates.

Considering that the multi-dose vaccines come out much cheaper than single-shot vaccines, asked on manner of dispensing the vaccines, Senator Cayetano replied that one disposable needle would be used per dog, per dose.

Senator Madrigal asked whether there are enough veterinarians to undertake the mass vaccinations, pointing out that the lower-class municipalities, especially in the far-flung areas, have the greatest number of stray dogs. Senator Cayetano clarified that the bill mandates the creation of positions for city and first-class municipality veterinarians and lower-class municipalities have the option of sharing veterinarians to lessen their expenses. She said that the LGUs have a choice between implementing the program and shouldering a bigger burden, on the one hand, and not implementing the program at all, on the other hand.

Asked how the vaccines would be stored once they reach the far-flung areas, Senator Cayetano stated that under the present program, the minimum requirement is that the LGU must have a refrigerator to store the vaccines. She gave assurance that the Committee would be open to amendments to address such concern.

As to what would happen if the LGU no longer has the fund to hire a veterinarian, Senator Cayetano emphasized that precisely, the LGUs have the autonomy to determine their personnel requirements but in such a case, they may have to sacrifice one or two positions to fund the salary of the veterinarian.

On the matter of transporting the vaccines, Senator Madrigal pointed out that vaccines require a storage temperature between 35 and 46 degrees Fahrenheit, or between 2 and 8 degrees Centigrade, and must not be exposed to freezing temperature, otherwise, they may be rendered useless. *ms*

Senator Cayetano gave assurance that the concerned government agencies were aware of the proper handling of the vaccines.

As to the availability of vaccines, Senator Madrigal disclosed that her driver was able to buy two vials of anti-rabies vaccine manufactured by Pfizer from a store which refused to issue a receipt. She charged Pfizer of breaking the law by allowing the sale of the vaccine in the black market. Senator Cayetano took note of the matter as she requested Senator Madrigal to inform the concerned government agency about the illegal sale of the drugs.

Asked if it could be provided in the bill that Pfizer is not allowed to supply the vaccine through the WHO, Senator Cayetano believed that it is not a matter that should be included in the bill.

SUSPENSION OF SESSION

Upon motion of Senator Roxas, the session was suspended.

It was 4:59 p.m.

RESUMPTION OF SESSION

At 5:05 p.m., the session was resumed.

SUSPENSION OF CONSIDERATION OF SENATE BILL NO. 2541

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

SPECIAL ORDER

Upon motion of Senator Flavier, there being no objection, the Body approved the transfer of Committee Report No. 197 on Senate Joint Resolution No. 9 to the Calendar for Special Orders.

COMMITTEE REPORT NO. 197 ON SENATE JOINT RESOLUTION NO. 9

Upon motion of Senator Flavier, there being no objection, the Body considered, on Second Reading, Senate Joint Resolution No. 9 (Committee Report No. 197), entitled

JOINT RESOLUTION CREATING A CONGRESSIONAL COMMISSION TO REVIEW AND ASSESS THE STATE OF COMPETITIVENESS OF SCIENCE AND TECHNOLOGY, AND ENGINEERING RESEARCH AND DEVELOPMENT (R&D) SECTOR IN THE COUNTRY.

Pursuant to Section 67, Rule XXIII of the Rules of the Senate, with the permission of the Body, upon motion of Senator Flavier, only the title of the resolution was read without prejudice to the insertion of its full text into the Record of the Senate.

Thereupon, Chair recognized Senator Angara for the sponsorship.

SPONSORSHIP SPEECH OF SENATOR ANGARA

In sponsoring Senate Joint Resolution No. 9, Senator Angara delivered the following speech:

On behalf of the Committee on Science and Technology and of our chairman, Senator Magsaysay, I have the honor to sponsor this joint resolution on the country's competitiveness.

Our country's competitiveness has rapidly slid down 29 places since 2001, from no. 48 out of 80 countries in 2001, to our current position as the 77th competitive economy in the world out of 117.

By any measure, this is a spectacular drop and one that gravely affects our development as a nation and our attractiveness as an investment destination both for domestic and foreign investors and, therefore, stunts our growth and generation of income. This is a principal measure of our country's competitiveness, the attractiveness of the country as a principal investment destination.

Our competitiveness is rapidly slipping because we fail in technological innovation, because we make meager investment in basic science, in research and development, in basic infrastructure. In short, we are failing because our human capital is underdeveloped and our public institutions are weak.

The Philippines lags behind its neighboring countries in terms of the share of R&D spending to total Gross Domestic Product, with only 0.11% *AB*

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in 2002, compared to Japan's 3.12%, Singapore's 2.15%, Thailand's 0.24%, Vietnam's 0.19%, and Malaysia's 0.69%, respectively.

The country has the lowest number of scientists and engineers doing research and development per one million population in the ASEAN, with only 108, compared to Singapore's 4,613 and Malaysia's 726. China and India are emerging as technology titans, with India producing 350,000 engineers and China producing 600,000 annually – which when combined surpasses the number of engineering graduates produced by the U.S. by more than tenfold.

Meanwhile, each time we produce one (1) master of science (MS) graduate in engineering, Vietnam produces 6, Thailand produces 25, and Singapore produces 200.

In fact, a study of international trends in Mathematics and Science shows that Filipino students performed poorly compared with students from other countries: we are placing at No. 41 and 42 in the mathematics and science examination, respectively, taken by high school students in 45 countries. We are at the bottom.

The world as we know has changed dramatically. The content of work, the work-places have changed over the years. Today, a country develops because its people are creative. It has the capacity for innovation, hence, it can produce a wider array of quality goods and services, accelerate the pace of technological change, and move to a knowledge-based economy.

In 1943, Winston Churchill famously observed that “the empires of the future will be empires of the mind.” This means simply that the future belongs to the creative and the imaginative. His prediction has been proven right, as the internet and high-tech industries of today demonstrate.

Experts agree that enhancing this capacity for innovation will require solid investment in human resource development, especially in basic science and engineering.

I recommend to all members of the Chamber, a very powerful cover article of *Time Magazine* of October 30, 2006, entitled *Asia's Science Revolution*. Let me just cite the highlights of this article.

Asia has a rich history of innovation — paper, gun powder, small pox inoculation and the magnetic compass were discovered here.

First, among Asians, Japan, over the past several decades, has claimed the economic fruits of innovation.

Second, the emerging Asian economies are tying their futures and their national pride to miracles of science and that is not an impossible dream, as this article pointed out. Asian nations have dramatically increased their governmental science spending between 1995 and 2005. China more than doubled the percentage of its GDP spending invested in research and development from .6% to .3%, while South Korea has raised its funding from \$9.8 billion in 1994 to \$19.4 billion in 2004, in a decade.

What is the result of this massive spending in science education? It is now paying off for these two Asian countries, South Korea and China. Many seasoned Asian researchers from the West have now been lured back into Korea and China. China alone, according to the article, has welcomed back almost 200,000 of its expatriates working in Western laboratories and they are now the one powering the science revolution in China.

Third, the science push, the science drive in emerging economies of Asia is now paying off in actual dividends. The percentage of hi-tech exports of these economies have dramatically risen, and, in fact, has caught faster than the rise in the U.S. and Western Europe's high-tech exports.

And finally, by 2010, which is barely three years away, almost 90% of PhDs holding engineering degrees will be Asians whether graduating from western universities or in Asian universities, and this can very well prove that the Asian science revolution is already sweeping our region while we are still sleeping in the night. For this reason, we do not want to be swept away by history and by the march of science, and we are, therefore, recommending a comprehensive review of the state of our country's competitiveness in order to focus on science and engineering.

With these, I, together with Sen. Ramon B. Magsaysay Jr., filed Senate Joint Resolution No. 9 that calls for the creation of a congressional commission to review and assess the state of competitiveness of science and technology (S&T) and engineering research and development (R&D) sectors, aimed at focusing and advancing these wealth-generating fields to create jobs and income, open new vistas for entrepreneurs and investors and enable our people, above all, to enjoy the fruits and benefits of technology.

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The Commission will undertake a thorough review of the science education system in both public and private schools at all levels but particularly graduate education. It will submit its findings and recommendations and an action plan for boosting science education and engineering R&D.

The overall objective is to uplift the living standards of Filipinos through technological innovation. Our people's natural creativity and inventiveness are all there for the tapping. Let us provide our youth the opportunities and the supportive environment for them to realize their potentials.

A couple of days ago, a Singaporean friend came to Manila and we had lunch and he said, "There is absolutely no reason why Filipinos should be poor because you have got all the talent here in your country, you have got the space and land that we lack, and you got even now abundant natural resources."

Our people are our best resource. We must work diligently and single-mindedly to put Filipino talent and skill in the forefront of national competitiveness.

Therefore, I earnestly urge this Chamber to approve this joint resolution without delay, and I am pleased to report that this resolution received the unanimous consent of all the members of the three committees — Science and Technology; Education, Arts and Culture, and Finance — and we have a very heart-warming note from the Minority Leader who says this bill is long overdue.

On that note, I urge this Chamber to pass this bill.

COSPONSORSHIP SPEECH OF SENATOR MAGSAYSAY

In cosponsoring Senate Joint Resolution No. 9, Senator Magsaysay delivered the following speech:

I look at the visionary, my cosponsor, Sen. Edgardo J. Angara, who initiated this a couple of months ago and I cannot say no because I know of the importance and the essence of what we are trying to make here.

As chairman of the Committee on Science and Technology, I would also like to cosponsor Senate Joint Resolution No. 9, introduced by Senator Angara and myself, entitled "Resolution Creating a Congressional Commission to Review and Assess the State of Competitiveness of

Science and Technology, and Engineering Research and Development Sector in the Country," under Committee Report No. 197.

It is with great honor and privilege that I am cosponsoring this legislative proposal with Senator Angara that aims to monitor our efforts at research and development (R&D) as we propel the growth of the country's science and technology sector.

We have always recognized the vital role that science and technology plays in the quest for economic development. No country has ever progressed without advancements in its own science and technology, the prime pillar of a modern economy. Science and technology is the necessary lever that turns the wheels of our agriculture and industries.

In addition, the areas of science, engineering and technology need to be tapped into because they provide the capability required in the areas of research, development, innovation and utilization.

The *2005 World Competitiveness Yearbook* indicates that our country's overall infrastructure is no. 55 among 60 countries, meaning, we are in the bottom 10%. In terms of various composite indices of national technological capacity, the Philippines, under the 2005 UNCTAD Index of Innovation Capability, ranked no. 60 among 117 countries — a very average and mediocre ranking. In the 2002 UNIDO Index of Industrial Performance of 87 countries, the Philippines ranked 25 out of 87 countries, while in the UNDP Technology Achievement Index of 72 countries, we ranked no. 44. These rankings seem positive. However, if we look at the comparative indicators on R&D personnel among Asian countries, our total number of scientists and engineers who are into R&D work from all sectors is only 7,203 in 2002 and 8,868 in 2003 as compared with Indonesia's 92,000 in 2001, Malaysia's 18,000+ and Singapore's 19,377. Please note that Singapore's population is not even four million, yet they have 19,377 as compared to our 89 million, but with only 7,203 — which is way below the former.

To improve our science and technology engineering capability, this report proposes the creation of a congressional commission on science and technology that shall undertake a national review and assessment of the S&T research and development system of the country with a view to: a) enhancing the system's internal capability to satisfactorily implement the constitutional provision on the prioritization of science and technology, among other things;

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b) providing the system with the necessary funding requirement and other infrastructure support; c) strengthening the linkages with all relevant sectors of society; and d) assisting the science and technology and engineering sectors in achieving its goals and targets through policies and approaches that are consistent with the nation's development perspectives.

In addition to these functions, the commission shall also review and assess the formal educational system in all levels of public and private schools, including higher education institutions, as well as the non-formal education system. There is a serious need to transform our educational systems, both private and government, to become leading knowledge centers in Southeast Asia by enhancing academic research and development activities and pillars of instruction. Government and private partnership is imperative to ensure the overall quality and relevance of higher education in the country. Essentially, a shift to a more R&D-based learning must be pursued to supplement the theoretical know-how currently practiced by universities to better prepare our students for independent research, applied within the Philippine context.

By strengthening linkages with all sectors concerned in the promotion of science, engineering and technology research and development, we hope to minimize, if not break, the cycle of migration. A positive environment where R&D thrives will ultimately encourage our science and technology graduates to practice their skills locally and contribute in the country's productive ventures.

The proposed commission will put flesh into the constitutional provisions of giving priority to education, science and technology, research and development, invention and innovation to accelerate social progress and promote total human liberation and development. It shall likewise fashion policies to address threats of stagnation and other challenges in the Philippine science and technology and engineering R&D sectors to be at par with our Asian neighbors.

We respectfully submit this proposal for approval by this august Chamber.

INTERPELLATION OF SENATOR PIMENTEL

Asked by Senator Pimentel how the Philippine's best universities rank compared to other Asian universities, Senator Magsaysay replied that the country's top three universities – University of the

Philippines, Ateneo de Manila and De La Salle University – are in the middle of over 200 institutions in the ASEAN region. However, he pointed out that the report prepared by *The Economist* showed that the three institutions continue to fall behind in terms of quality standards. He recalled that Southeast Asians used to come to the Philippines to learn engineering, medicine and other science courses, and that it was the Filipino engineers who designed and built the first refinery in Thailand in the 1950s. He added that the Philippines was considered second to Japan at that time.

To the suggestion that one of the thrusts of the resolution should be to look into the proliferation of non-quality colleges and universities, Senator Magsaysay agreed, pointing out that due to political considerations, there has been no reversal of the trend of having a state university in each province or district, and that some institutions are faced with the difficulty of improving their standards because of limited budget and resources. He lamented that teachers with doctorate degrees from international universities end up working as nurses overseas since their monthly salary is not commensurate with their aptitude and high level of educational attainment.

Citing statistics from Senator Magsaysay's cosponsorship speech, Senator Pimentel noted that the country produced only 7,203 science and engineering graduates in 2002, and only 8,868 in 2003, compared to Indonesia's 92,817 in 2001 alone. He pointed out that Malaysia and Singapore, which have lower populations than the Philippines, produced 17,790 and 19,377 engineers in 2003, respectively, compared to the Philippines' 8,868.

As regards the view that the country must radically change its attitude towards science and technology courses, along with courses offered in higher institutions lest it continue to produce very few scientists and engineers, Senator Magsaysay agreed, saying that the statistics are good indicators that a lot of improvement is needed in this area. He noted that each year, only 11,700 or a mere 20% of about 53,000 engineering graduates pass the licensure exams.

On whether widespread cheating, as in the case of the recent nursing licensure exam, is also prevalent among science and engineering graduates, Senator Magsaysay replied that he was not certain if the same is true, but he noted that most successful examinees are going overseas for better jobs.

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Pointing out that low compensation is the major reason why many science, technology and engineering professionals choose to work overseas, Senator Pimentel suggested that the government overhaul its national development objectives and refocus the thrust of educational institutions to attain its goals, which could begin with the closure of a number of schools.

Senator Magsaysay noted that almost 93,000 of Indonesia's 209 million population are engineers, which is the result of the national leadership's promotion of science, technology and engineering. Senator Pimentel believed that unless the Department of Science and Technology gets the necessary support, the country's science and technology capabilities would be left undeveloped.

Senator Pimentel believed that the DOST should be in the forefront of providing the brains and the ideas for the rapid modernization of the country but nothing would happen unless its capabilities are developed. He noted that in the yearly budgetary allocation, there has been no significant increase in the DOST budget. He expressed hope that with the approval of the resolution, the government could ensure that in the succeeding years, the DOST would get a bigger budgetary allocation. Senator Magsaysay agreed that the leadership has to give the DOST the necessary funding support.

In terms of providing incentives to inventors, Senator Pimentel said that he could not see the government encouraging people with facile minds to invent things that are of productive use because, apparently, many Filipino inventors sell their inventions abroad. Senator Magsaysay agreed, pointing out that the DOST does not have the budget and proper orientation for inventors, entrepreneurs and creative people; they are wrapped up in the bureaucracy and unless incentives were given to corporations to support genius Filipinos, the country would continue to lose these talented people.

Senator Pimentel recalled that at the onset of Mrs. Aquino's presidency in 1986, he met a person who claimed to have invented a car engine that can run on water; he brought the inventor to President Aquino to try out the invention; however, the inventor could not explain how he did it, so he referred the inventor to then DOST Secretary Follosco for assistance, and after six months, he learned that the DOST was not convinced with the invention.

However, he stated that he learned later that the invention was sold to Japan and in one of the car exhibitions, there was a Honda car that can run on water.

Senator Magsaysay agreed, pointing out that 90-year old inventor, Standford Shuroski learned science and technology only in the library but he developed a hydrogen-based fuel.

Senator Pimentel lamented the fact that Dingle, another Filipino inventor, did not get the support from the government. He cited another example of an invention of a Filipino engineer who has generated a surge of electricity from currents in water channels that can automatically run a turbine engine. Senator Magsaysay disclosed that his office helped the inventor, Mr. Ursua, register his invention abroad.

Senator Pimentel said that Mr. Ursua and other inventors do not want to register with the Patent Office for fear of unauthorized use or spread of their invention. In the case of Mr. Ursua's invention, he said, the machine could not just be put in any part of the Philippine sea; it has to be put in a channel like the Balintang Channel or Surigao deep where the current is strong enough to turn the turbine and produce electricity. He shared the same observation that the bureaucracy is not supportive of all these innovations.

At this juncture, Senator Angara informed the Body that in the annual survey conducted by the Times Higher Education Supplement based in the U.K., there are four universities in the Philippines out of the top 518 universities worldwide: UP ranked 299; De la Salle, 392; Ateneo, 484; UST, 500. He further pointed out that in Asia, none of the universities in the Philippines ranked within the first 50 except UP which ranked 46; in the ASEAN, all the national universities are ahead of the Philippines except Brunei, Vietnam, Cambodia, Laos and Myanmar. He believed that the root cause of the poor performance of Philippine universities is the poor science education in the country because, as had been pointed out during the budget hearing, more than half of those teaching the basic sciences are non-biology, non-chemistry, non-general science majors; it is even more alarming in physics because only about 28% of physics teachers are physics majors. He said that this fact shows that the budgetary allocation to science in general is almost stagnant all

these years; however, he expressed gladness that in the 2007 budget, P800 million of the CHED budget was realigned to scholarships, research and developmental purposes, and there is about P1 billion in developmental funding in the DOST which the Department has committed to realign to science scholarship and research purposes, aside from the billions of incentives being dispensed by the DTI every year through the BOI and the PEZAs, which could be realigned to support science parks and science and technology research. He believed that one possible distinct benefit that the Commission could achieve is to persuade government spending in science and technology to be more focused on its goal, do a more coordinative work between private and public spending, and provide the necessary support to scientists and inventors, which is the only way government can encourage more inventions and creativity.

Senator Angara stated that the country's problem in science and technology is rooted in basic education and the issues of funding, training and providing incentives to investors and entrepreneurs must be confronted.

On the matter of incentives, Senator Pimentel stated that research and development by private corporations is tax deductible. He wondered if the government offers incentives to private corporations that support R&D. Senator Angara stated that while there are incentives like tax-free importation of information technology books and equipment, the implementation is poor. He noted that according to a *Time Magazine* article, the Chinese government encouraged the establishment of duty-free importation of modern state-of-the-art laboratories to lure back Chinese expatriates working in American and European laboratories, and that China is now the leading researcher on nanotechnology or miniaturized materials that have revolutionized material science. He added that China is so advanced in genetic research that it has come up with cancer-fighting drugs and medicines that are more effective than the others.

TERMINATION OF THE PERIOD OF INTERPELLATIONS

There being no further interpellation, upon motion of Senator Cayetano, there being no objection, the Body closed the period of interpellations and proceeded to the period of amendments.

TERMINATION OF THE PERIOD OF AMENDMENTS

There being no committee or individual amendment, upon motion of Senator Cayetano, there being no objection, the Body closed the period of amendments.

APPROVAL OF SENATE JOINT RESOLUTION NO. 9 ON SECOND READING

Submitted to a vote, there being no objection, Senate Joint Resolution No. 9 was approved on Second Reading.

SUSPENSION OF CONSIDERATION ON SENATE JOINT RESOLUTION NO. 9

Upon motion of Senator Cayetano, there being no objection, the Body suspended consideration of the resolution.

ACKNOWLEDGMENT OF THE PRESENCE OF GUESTS

At this juncture, Senator Cayetano acknowledged the presence of the members of the Robotics Team who won the 2006 Robot Olympiad in China, namely, Merlina Placino, Kim Marco Perez, Francisco Nuñez, Dan Garcia and Arnold Catapang.

SUSPENSION OF SESSION

Upon motion of Senator Cayetano, the session was suspended.

It was 6:05 p.m.

RESUMPTION OF SESSION

At 6:05 p.m., the session was resumed.

PROPOSED SENATE RESOLUTION NO. 592

Upon motion of Senator Cayetano, there being no objection, the Body considered Proposed Senate Resolution No. 592, entitled

**RESOLUTION COMMENDING THE
FILIPINO HIGH SCHOOL STUDENTS
WHO WON THE 2006 WORLD
ROBOT OLYMPIAD**

[Handwritten initials]

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

ADOPTION OF PROPOSED SENATE RESOLUTION NO. 592

Upon motion of Senator Cayetano, there being no objection, Proposed Senate Resolution No. 592 was adopted by the Body.

SUSPENSION OF SESSION

Upon motion of Senator Cayetano, the session was suspended.

It was 6:05 p.m.

RESUMPTION OF SESSION

At 6:10 p.m., the session was resumed.

MANIFESTATION OF SENATOR ROXAS

Senator Roxas stated that yesterday, there was an agreement between certain Members to narrow their differences on the bill amending the intellectual property code. He said that the bill had, in fact, been placed as the first item in the agenda of the day's session for which purpose, the resource persons had been present in the gallery since three o'clock in the afternoon. However, he noted that apparently, the bill would not taken up in the present session although it had been scheduled for discussion at ten o'clock in the morning of the following day. In view thereof, he expressed his appreciation and apology to the resource persons, inviting them back the next day for the deliberation on the bill.

COMMITTEE REPORT NO. 77 ON SENATE BILL NO. 2260

(Continuation)

Upon motion of Senator Cayetano, there being no objection, the Body resumed consideration, on Second Reading, of Senate Bill No. 2260 (Committee Report No. 77), entitled

AN ACT AMENDING REPUBLIC ACT
NO. 7227, AS AMENDED, OTHERWISE
KNOWN AS THE BASES CONVER-

SION AND DEVELOPMENT ACT OF 1992, AND FOR OTHER PURPOSES.

Senator Cayetano stated that the parliamentary status was the period of interpellations.

Thereupon, the Chair recognized Senator Recto, Sponsor of the measure.

TERMINATION OF THE PERIOD OF INTERPELLATIONS

Upon motion of Senator Cayetano, there being no objection, the Body closed the period of interpellation and proceeded to the period of committee amendments.

COMMITTEE AMENDMENTS

Upon motion of Senator Recto, there being no objection, the Body adopted the substitute bill containing the committee amendments.

TERMINATION OF THE PERIOD OF COMMITTEE AMENDMENTS

There being no other committee amendment, upon motion of Senator Cayetano, there being no objection, the Body closed the period of committee amendments and proceeded to the period of individual amendments.

TERMINATION OF THE PERIOD OF INDIVIDUAL AMENDMENTS

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

APPROVAL OF SENATE BILL NO. 2260 ON SECOND READING

Submitted to a vote, there being no objection, Senate Bill No. 2260 was approved on Second Reading.

PRESIDENTIAL CERTIFICATION

Upon direction of the Chair, the Executive Director for Legislation read the President's certification as to the necessity of the immediate enactment of Senate Bill No. 2260, to wit: *AS*

pro

MALACAÑAN PALACE
MANILA

June 6, 2006

Hon. FRANKLIN M. DRILON
Senate President
Senate of the Philippines
Pasay City

Dear Senate President Drilon:

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 Senate Bill No. 2260, under Committee Report No. 77, entitled:

AN ACT AMENDING REPUBLIC ACT NO. 7227, AS AMENDED, OTHERWISE KNOWN AS THE BASES CONVERSION AND DEVELOPMENT ACT OF 1992, AND FOR OTHER PURPOSES,

to meet a public emergency particularly of the urgent need to enhance the country's competitiveness in the foreign direct investments market consistent with national development objectives while correcting disparities in the fiscal incentives granted to duly-registered business enterprises within the special economic zones.

Best wishes.

Very truly yours,

Sgd.) GLORIA MACAPAGAL ARROYO

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

**APPROVAL OF SENATE BILL NO. 2260
ON THIRD READING**

In view of the presidential certification, upon motion of Senator Cayetano, there being no objection, the Body considered, on Third Reading, Senate Bill No. 2260.

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

AN ACT AMENDING REPUBLIC ACT NO. 7227, AS AMENDED, OTHERWISE KNOWN AS THE BASES CONVERSION AND DEVELOPMENT ACT OF 1992, AND FOR OTHER PURPOSES.

The Secretary of the Senate called the roll for nominal voting.

RESULT OF THE VOTING

The result of the voting was as follows:

In favor

Angara	Madrigal
Arroyo	Osmeña
Biazon	Pangilinan
Cayetano	Pimentel
Drilon	Recto
Enrile	Roxas
Flavier	Villar
Lacson	

Against

None

Abstention

None

With 15 senators voting in favor, none against, and no abstention, the Chair declared Senate Bill No. 2260 approved on Third Reading.

**COMMITTEE REPORT NO. 76
ON SENATE BILL NO. 2259
(Continuation)**

Upon motion of Senator Cayetano, there being no objection, the Body resumed consideration, on Second Reading, of Senate Bill No. 2259 (Committee Report No. 76), entitled

AN ACT DECLARING A ONE-TIME AMNESTY ON CERTAIN TAX AND DUTY LIABILITIES, INCLUSIVE OF FEES, FINES, PENALTIES, INTERESTS AND OTHER ADDITIONS THERETO, INCURRED BY CERTAIN BUSINESS ENTERPRISES OPERATING WITHIN THE SPECIAL ECONOMIC ZONES AND FREEPORTS CREATED UNDER EXECUTIVE ORDER NO. 80, SERIES OF 1993; PROCLAMATION NO. 216, SERIES OF 1993; PROCLAMATION NO. 420, SERIES OF 1994; AND PROCLAMATION NO. 984, SERIES OF 1997, PURSUANT TO SECTION ¹⁴

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15 OF REPUBLIC ACT NO. 7227, AS AMENDED, AND FOR OTHER PURPOSES.

Senator Cayetano stated that the parliamentary status was the period of committee amendments.

Thereupon, the Chair recognized Senator Recto, Sponsor of the measure.

COMMITTEE AMENDMENTS

As proposed by Senator Recto, there being no objection, the following Committee amendments were approved by the Body, one after the other:

1. On page 1, lines 2 and 3, delete the phrase "EXCEPT DUTY-FREE SHOPS";
2. On the same page, line 5, replace the phrase "Executive Order No. 80" with PROCLAMATION NO. 163;
3. On page 2, lines 7 and 8, delete the phrase "EXCEPT DUTY-FREE SHOPS";

INQUIRY OF SENATOR ENRILE

Asked by Senator Enrile why one line of business is being exempted, Senator Recto clarified that an amnesty is being provided to all business enterprises, as he pointed out in the original committee report, duty-free shops were not given an amnesty.

SUSPENSION OF SESSION

Upon motion of Senator Cayetano, the session was suspended

It was 6:19 p.m.

RESUMPTION OF SESSION

At 6:19 p.m., the session was resumed.

Senator Recto clarified that all locators, including duty-free shops, in the special economic zones under R.A. No. 7227 would be given an amnesty.

COMMITTEE AMENDMENTS

(Continuation)

As proposed by Senator Recto, there being no objection, the Body approved the following amendments, one after the other:

4. On page 2, delete lines 17 to 20; and
5. On the title of the bill, replace the phrase "EXECUTIVE ORDER NO. 80" with PROCLAMATION NO. 163.

TERMINATION OF THE PERIOD OF AMENDMENTS

There being no further committee or individual amendment, upon motion of Senator Cayetano, there being no objection, the Body closed the period of amendments.

APPROVAL OF SENATE BILL NO. 2259 ON SECOND READING

Submitted to a vote and there being no objection, Senate Bill No. 2259, as amended, was approved on Second Reading.

PRESIDENTIAL CERTIFICATION

Upon direction of the Chair, Secretary Yabes read the President's certification as to the necessity of the immediate enactment of Senate Bill No. 2259, to wit:

MALACAÑAN PALACE
MANILA

June 6, 2006

HON. FRANKLIN M. DRILON
Senate President
Philippine Senate
Pasay City

Dear Senate President Drilon:

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 Senate Bill No. 2259, under Committee Report No. 76, entitled

AN ACT DECLARING A ONE-TIME AMNESTY ON CERTAIN TAX AND DUTY LIABILITIES, INCLUSIVE OF FEES, FINES, PENALTIES, INTERESTS AND OTHER ADDITIONS THERETO, INCURRED BY CERTAIN BUSINESS ENTERPRISES OPERATING WITHIN THE SPECIAL ECONOMIC ZONES AND FREEPORTS CREATED UNDER EXECUTIVE ORDER NO. 80, SERIES OF 1993; PROCLAMATION

[Signature]

NO. 216, SERIES OF 1993; PROCLAMATION NO. 420, SERIES OF 1994; AND PROCLAMATION NO. 984, SERIES OF 1997, PURSUANT TO SECTION 15 OF REPUBLIC ACT NO. 7227, AS AMENDED, AND FOR OTHER PURPOSES,

to avert a public emergency situation arising as a consequence of a projected pull-out by investors-locators from certain special economic and freeport zones around the country, and its immediate detrimental impact on government's employment generation campaign, owing to separate ruling of the Supreme Court denying them of tax and duty incentives otherwise exclusively granted to businesses and enterprises operating within the Subic Special Economic and Freeport Zone in accordance with Section 12 of Republic Act No. 7227.

Best wishes.

Very truly yours,

(Sgd.) GLORIA MACAPAGAL ARROYO

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

APPROVAL OF SENATE BILL NO. 2259 ON THIRD READING

In view of the presidential certification, upon motion of Senator Cayetano, there being no objection, the Body considered, on Third Reading, Senate Bill No. 2259.

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

AN ACT DECLARING A ONE-TIME AMNESTY ON CERTAIN TAX AND DUTY LIABILITIES, INCLUSIVE OF FEES, FINES, PENALTIES, INTERESTS AND OTHER ADDITIONS THERETO, INCURRED BY CERTAIN BUSINESS ENTERPRISES OPERATING WITHIN THE SPECIAL ECONOMIC ZONES AND FREEPORTS CREATED UNDER PROCLAMATION NO. 163, SERIES OF 1993; PROCLAMATION

NO. 216, SERIES OF 1993; PROCLAMATION NO. 420, SERIES OF 1994; AND PROCLAMATION NO. 984, SERIES OF 1997, PURSUANT TO SECTION 15 OF REPUBLIC ACT NO. 7227, AS AMENDED, AND FOR OTHER PURPOSES.

Secretary Yabes called the roll for nominal voting.

RESULT OF THE VOTING

The result of the voting was as follows:

In favor

- | | |
|----------|------------|
| Angara | Madrigal |
| Arroyo | Osmeña |
| Biazon | Pangilinan |
| Cayetano | Pimentel |
| Drilon | Recto |
| Enrile | Roxas |
| Flavier | Villar |
| Lacson | |

Against

None

Abstention

None

With 15 senators voting in favor, none against, and no abstention, Senate Bill No. 2259 was approved on Third Reading.

SUSPENSION OF SESSION

Upon motion of Senator Cayetano, the session was suspended.

It was 6:25 p.m.

RESUMPTION OF SESSION

At 6:25 p.m., the session was resumed.

SECOND ADDITIONAL REFERENCE OF BUSINESS

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

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BILL ON FIRST READING

Senate Bill No. 2563, entitled

AN ACT AMENDING SECTIONS 2 AND 3 OF REPUBLIC ACT NO. 2239, OTHERWISE KNOWN AS "AN ACT AUTHORIZING THE PRESIDENT OF THE PHILIPPINES TO SELL A CERTAIN PARCEL OF LAND OF THE PRIVATE DOMAIN OF THE NATIONAL GOVERNMENT TO THE RAMON MAGSAYSAY AWARD FOUNDATION," AND FOR OTHER PURPOSES

Introduced by Senator Flavier

To the Committee on Environment and Natural Resources

COMMITTEE REPORT

Committee Report No. 208, prepared and submitted jointly by the Committees on Energy; Ways and Means; Finance; and Public Services on Senate Bill No. 2562, with Senators Flavier, Jinggoy Ejercito Estrada, Angara, Miriam Defensor Santiago, Magsaysay Jr. and Gordon as authors thereof, entitled

AN ACT PROMOTING AND ENHANCING THE DEVELOPMENT, UTILIZATION AND COMMERCIALIZATION OF RENEWABLE ENERGY RESOURCES,

recommending its approval in substitution of Senate Bill Nos. 9, 15, 941, 1733, 2023 and 2216, taking into consideration Proposed Senate Resolution No. 9 and House Bill No. 5563.

Sponsor: Senator Miriam Defensor Santiago

Dissenting: Senator Recto

To the Calendar for Ordinary Business

SUSPENSION OF SESSION

Upon motion of Senator Pangilinan, the session was suspended.

It was 6:26 p.m.

RESUMPTION OF SESSION

At 6:26 p.m., the session was resumed.

**COMMITTEE REPORT NO. 34
ON SENATE BILL NO. 2137**

(Continuation)

Upon motion of Senator Pangilinan, there being no objection, the Body resumed consideration, on Second Reading, of Senate Bill No. 2137 (Committee Report No. 34), entitled

AN ACT TO DEFINE AND PUNISH THE CRIMES OF TERRORISM AND CONSPIRACY TO COMMIT TERRORISM AND OTHER ACTS INCIDENT THERETO, AND FOR OTHER PURPOSES.

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

Thereupon, the Chair recognized Senator Enrile, Sponsor of the measure, who recalled that in the previous session, he did not accept Senator Pimentel's third amendment. He requested that the Body leave this proposal in the meantime and proceed to other less contentious parts of the bill. He informed the Body that he could easily accept 90% of the more than 50 proposed amendments of Senator Pimentel in order to narrow down the points of discussion.

PIMENTEL AMENDMENTS

(Continuation)

As proposed by Senator Pimentel, there being no objection, the Body approved the following amendments, one after the other.

1. As modified by the Sponsor, subject to style wherever appropriate in the bill, insert the following:

SEC. ___ – DAMAGES FOR UNPROVEN CHARGE OF TERRORISM. — UPON ACQUITTAL, ANY PERSON WHO IS ACCUSED OF TERRORISM SHALL BE ENTITLED TO THE PAYMENT OF DAMAGES IN THE AMOUNT OF NOT LESS THAN FIFTY THOUSAND PESOS (P50,000) FOR EVERY DAY THAT HE OR SHE HAD BEEN DETAINED OR DEPRIVED OF LIBERTY OR ARRESTED WITHOUT A WARRANT AS A RESULT OF SUCH AN ACCUSATION.

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IN THE EVENT THAT THE AMOUNT OF DAMAGES AWARDED IN THIS SECTION CANNOT FOR ANY REASON BE COVERED BY THE CURRENT BUDGET OF THE POLICE OR LAW ENFORCEMENT AGENCY CONCERNED, THE AMOUNT SHALL BE AUTOMATICALLY INCLUDED IN THE APPROPRIATIONS OF THE SAID AGENCY FOR THE COMING YEAR.

Senator Pimentel explained that the proposal seeks to discourage frivolous accusations and ensure that only airtight indictments of terrorism shall be brought before the courts and only such charges shall be used as basis for the detention of persons accused of terrorism and for justifying the seizures, sequestration and freezing of his/her properties and assets.

Senator Enrile cautioned that a person could earn P100 million if he could arrange to be incarcerated for 100 days under false charges.

Relative to the penalties to be imposed on persons accused of terrorism, Senator Pimentel pointed out that the predicate crimes are already embodied in the Revised Penal Code and other penal enactments with varying penalties. Replying to a query, Senator Enrile explained that the range of penalties in the Revised Penal Code would not apply to the crime of terrorism as the bill defines a different crime and imposes a single penalty of *reclusion perpetua*.

Senator Pimentel believed that prosecuting a suspect under the Anti-Terrorism Law would be more burdensome to the Filipinos because, among other things, they could be surveilled, placed under arrest for a certain number of days without judicial warrant, and their properties/assets seized, sequestered or frozen which are not done if they are charged under the Revised Penal Code. He expressed the view that in crafting the bill, the Body should be more compassionate by imposing the penalties for the predicate crimes pursuant to the Revised Penal Code and other existing laws. He cautioned that charging someone, even on the flimsiest excuse, with the crime of terrorism could wreck his life.

Senator Enrile explained that there are violent acts mentioned in the bill that are the attendant elements to the crime of terrorism that must be established before it could be concluded that the crime of terrorism did occur.

Senator Pimentel pointed out that the crime of destructive arson, is one of the predicate crimes in the bill, but to qualify as a crime of terrorism, other elements must be present such as a demand for the government to do something. Senator Enrile said that in such a case, the terrorist commits arson to achieve the objective of coercing the government to accede to a demand.

Senator Pimentel commented that destructive arson is covered by P.D. 1613 and it could be directed against a public or private museum or any cultural, educational and social service edifice. He asked if burning a small room in a building devoted to culture could be considered as an act of terrorism. Senator Enrile said that if the act did not sow panic or fear among the populace, it would not be considered as an act of terrorism.

On the suggestion that the acts enumerated in the bill be defined with more precision, Senator Enrile pointed out that the amendments of Senator Drilon enumerated the acts that could be considered as elements of the crime of terrorism. He clarified that what differentiates the crime of terrorism from the crimes penalized under the Revised Penal Code is that the violence is intended to sow widespread fear and panic among the citizenry so as to promote or advance a religious or ideological belief or coerce the government to give in to a demand.

But Senator Pimentel pointed out that the burning of a bookstore is one of those acts enumerated in the predicate crime of destructive arson. Senator Enrile agreed that destructive arson is punishable under the Code but it was included in the bill as an element that accompanies the crime of terrorism.

Senator Pimentel noted that under P.D. No. 1613, the destruction of means of conveyance for persons or property like a train, aircraft or watercraft falls under the crime of arson but had been subsumed as a predicate crime under the bill. Senator Enrile said that he would have no objection if Senator Pimentel wished to go back to the original definition but he should first seek the position of Senator Drilon. Senator Enrile explained that precisely, he used neutral terms for the elements that accompany the crime of terrorism and made no reference to definitions or punishments.

Upon further queries, Senator Enrile clarified that the destruction of a watercraft or canoe or ~~45~~

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cargo ship would not be considered as an element of the crime of terrorism, but the sinking of a passenger boat or the burning of a passenger ship would be.

Senator Pimentel noted that the same decree speaks of the destruction of shopping centers, markets, theaters and like places. Senator Enrile clarified that such an act is not covered by the bill but if it was committed repeatedly and resulted in widespread fear and panic, it could be considered as an element of the crime of terrorism.

On whether the deliberate burning of a hospital, a dormitory, a hotel, a lodging house or a shopping center could be an element of the crime of terrorism, Senator Enrile replied that it could, if it created widespread and extraordinary fear and panic, caused injuries to people, and it intended to coerce the government to accede to the demands of the terrorists.

Asked if causing widespread fear is one of the objectives of a terrorist, Senator Enrile replied that the main purpose of a terrorist is to sow widespread and extraordinary fear among the public, otherwise, government would not be pressured to do anything against its will.

Asked if blowing up an empty theater to pursue a religious, ideological or political belief could be considered as a terrorist act, Senator Enrile replied in the negative, as he explained that the Committee tried its best to craft a law that is understood by all but he would leave its application to the wisdom of the judges.

Senator Pimentel emphasized that he was trying to ensure that the rights of the accused would be protected and justice would prevail since the proposed Act would probably be the most draconian to ever come out of Congress. In reaction, Senator Enrile explained that he was fully cognizant of the gravity of the bill once it becomes a law and has gone out of his way to provide for all kinds of safeguards and penalties. On balance, he believed that the Committee has recommended a well-crafted definition of the crime of terrorism but he acknowledged that there are situations that could not be anticipated, which is precisely why there are judges to apply the law. Senator Pimentel suggested that the definition be revisited, saying that he would make his proposal after consulting Senator Drilon. Senator Enrile stated

that the Committee would be open to amendments, even a redefinition.

On the matter of illegal possession or manufacture and distribution of firearms, ammunition or explosives which is also penalized under a decree, Senator Enrile stated that the enumerations in the bill are simply the types of violence used to commit the crime of terrorism which are penalized as elements of the crime of terrorism; other elements would be added to support the conclusion that the crime of terrorism is indeed being committed.

Senator Pimentel argued that these elements should be precise, not only in the charges but also in the prosecution and submission of evidence. He asked why a Filipino who was caught using a *paltik* to pursue a crime of rebellion that has ideological or religious ends should suffer a more severe penalty when he can be penalized on the basis of existing laws. He proposed that the bill do away with predicate crimes like arson, adding that the Body can consider various nuances between a patently and graphically criminal act that can be described as no less than an act of terrorism and the other minor crimes.

Senator Enrile explained that the Committee defined "arson" in the bill to avoid all extraneous matters that would give rise to doubt. Nevertheless, he said that the mere act of burning a bamboo grove, for instance, is not enough to qualify it as a crime of terrorism unless there was an accompanying element.

Senator Pimentel proposed that the penalty of *reclusion perpetua* as a single and indivisible penalty as provided under the Revised Penal Code be imposed on the accused if the charge of terrorism against him is proven, otherwise, the case should be dismissed. Senator Enrile explained that the Committee specified the penalty for the particular crime of terrorism, disregarding the penalties for specific crimes penalized under the Revised Penal Code.

2. Wherever appropriate, subject to style, insert the following Section:

SEC. ___ – IF A PERSON CHARGED WITH THE CRIME OF TERRORISM IS PROVEN IN APPROPRIATE CASES, THEN THE PENALTY OF *RECLUSION PERPETUA* IS IMPOSED ON THE ACCUSED BUT IF THE CHARGE OF TERRORISM IS NOT PROVEN, THE CASE SHALL BE DISMISSED.

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Asked whether a person who abducts another person and demands money from the government for the release of his hostage can be charged with the crime of terrorism, Senator Enrile said that the crime could not be determined unless the demand sows and creates a condition of widespread fear and anxiety among the populace to coerce government to give in to said demand. Nevertheless, he stated that he would accept an amendment to cover a situation where only coercive action remains as an element of terrorism.

3. On page 3, line 21 and 22, delete the phrase "EITHER TO ADVANCE, PROPAGATE OR PROMOTE A RELIGIOUS, POLITICAL OR IDEOLOGICAL BELIEF, OR.

Pointing out that "extraordinary fear" is difficult to measure in legal terms, Senator Pimentel asked when "fear" and "panic" are considered widespread. Senator Enrile replied that it is the function of the court to determine it. In the face of a threat to a sparsely populated barangay, he doubted whether the government would be pressured to accede to a given demand of a terrorism group like the Abu Sayyaf as it has the full force of the armed forces to contain the situation. He clarified that for the act to be considered as a crime of terrorism, it must be proven that there was an intent to sow fear among the populace, it caused widespread and extraordinary fear and panic among the populace, and it sought to coerce the government to accede to a given demand.

On whether an act, even if it aims to achieve a positive cause such as eliminating graft and corruption, could be considered as a crime of terrorism. Senator Enrile said that in this case, the party is expecting government to give in to an impossible condition, as it could not simply remove graft and corruption in such a short time.

To the suggestion that the provision be revised to specify that the given demand is something that goes against the law, for instance, the release of all convicts, Senator Enrile said that he would not be in a position to accept such a premise since a given demand might refer to an act that should either be done or not be done.

4. On page 4, lines 1 and 2, delete the words "a given" and in lieu thereof, insert the words AN UNLAWFUL;

Senator Pimentel noted that under the Revised Penal Code, the penalty for grave coercion, which is compelling a person to give into a demand or, by means of violence, preventing him from doing something, may be penalized only by *arresto mayor*. He wondered why there is a big difference between the penalty for grave coercion and the imposition of the penalty of *reclusion perpetua* for the same act when it is considered a predicate crime of terrorism. Senator Enrile stated that times have changed and the instruments for committing terrorism and coercion have become more sophisticated. He pointed out that the gravity of the terrorist act is not dependent on the instrument used.


Asked whether the principal or conspirator being assisted to escape had already been convicted of the crime of terrorism, Senator Enrile clarified that the principal or conspirator should have been charged of the crime. However, he explained that the person who assisted in the escape of a suspected terrorist or conspirator, who has only been arrested but not yet charged with the crime, would only be considered a co-conspirator but not an accessory. Further, he said that in the event the suspected terrorist is still at large, the situation would depend on whether the person who harbored the suspect was aware of and tolerated the former's activities. In that situation, he stated that the person would not be an accessory but he could be included as a principal by indispensable cooperation or by inducement if there was any inducement; but altogether, it would be a different matter if that person provided money, vehicle or arms. By definition, he said, an accessory has no direct participation in the crime either as a principal or as an accomplice; he commits the act subsequent to the crime of terrorism. He stressed that criminal law is an assessment of factual situations; in this case, the crucial element is the non-participation of the person in the crime but he had knowledge of the crime and assisted or conspired with someone in doing it.

SUSPENSION OF SESSION

Upon motion of Senator Pimentel, the session was suspended.

It was 7:47 p.m.

RESUMPTION OF SESSION

At 7:51 p.m., the session was resumed. 

**SUSPENSION OF CONSIDERATION
OF SENATE BILL NO. 2137**

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

SPECIAL ORDER

Upon motion of Senator Cayetano, there being no objection, the Body approved the transfer of Committee Report No. 161 on Senate Bill No. 2518 from the Calendar for Ordinary Business to the Calendar for Special Orders.

**COMMITTEE REPORT NO. 161
ON SENATE BILL NO. 2518**

Upon motion of Senator Cayetano, there being no objection, the Body considered, on Second Reading, Senate Bill No. 2518 (Committee Report No. 161), entitled

AN ACT PROVIDING FOR THE "NO BIDDING" SALE OF LANDS OWNED BY THE NATIONAL GOVERNMENT OR ANY OF ITS AGENCIES OR INSTRUMENTALITIES TO ITS OCCUPANTS FOR SOCIALIZED HOUSING, AMENDING FOR THE PURPOSE REPUBLIC ACT NO. 7279, OTHERWISE KNOWN AS THE URBAN DEVELOPMENT AND HOUSING ACT OF 1992, AND FOR OTHER PURPOSES.

Pursuant to Section 67, Rule XXIII of the Rules of the Senate, with the permission of the Body, upon motion of Senator Cayetano, only the title of the bill was read without prejudice to the insertion of its full text into the Record of the Senate.

The Chair recognized Senator Biazon for the sponsorship.

**SPONSORSHIP SPEECH
OF SENATOR BIAZON**

In sponsoring Senate Bill No. 2518, Senator Biazon delivered the following speech:

As Chairman of the Committee on Urban Planning, Housing and Resettlement, this

Representation has the honor to sponsor Senate Bill No. 2518, "AN ACT PROVIDING FOR THE 'NO-BIDDING' SALE OF LANDS OWNED BY THE NATIONAL GOVERNMENT OR ANY OF ITS AGENCIES OR INSTRUMENTALITIES TO ITS OCCUPANTS FOR SOCIALIZED HOUSING, AMENDING FOR THE PURPOSE REPUBLIC ACT NO. 7279, OTHERWISE KNOWN AS THE URBAN DEVELOPMENT AND HOUSING ACT OF 1992, AND FOR OTHER PURPOSES," as contained in Committee Report No. 161. It is in consideration of Senate Bill Nos. 1999 and 2175 and House Bill No. 3834.

Article XIII, Section 1 of the Constitution, provides:

The Congress shall give highest priority to the enactment of measures that protect and enhance the right of all the people to human dignity, reduce social, economic and political inequalities, and remove cultural inequities by equitably diffusing wealth and political power of the common good.

Food, clothing and shelter -- these are the very basic needs that need to be ensured in order for each and every person to live in a dignified manner.

It is in this light that the proposed measure is being encouraged to be passed by this august Chamber.

Senate Bill No. 2518 seeks to ensure security of tenure in the places of abode of our marginalized brothers and sisters.

The basic intention of this measure is to allow the disposal of occupied government lands to qualified beneficiaries of socialized housing.

In this manner, it seeks to give our people, who are occupying government-owned lands, an opportunity to acquire these lands without public bidding.

It is submitted that the process of public bidding intends to uphold transparency and accountability in the best interest of the State in the disposition of government-owned properties. However, it also sometimes eases out socialized housing beneficiaries from acquiring lands they are occupying. This is because the price of these lands usually becomes unaffordable to them after it has gone through public bidding. Hopefully, with the passage of this measure, this situation can be remedied.

Moreover, Senate Bill No. 2518 also seeks to give an opportunity for the government to earn

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from these lands that are being illegally occupied. These lands, aside from being non-earning assets, are also very hard to sell. It is almost near to impossible to evict those that are illegally occupying them due to the high financial and social costs involved.

In order to prevent unscrupulous individuals from taking advantage of its noble intentions, the measure seeks to allow the sale of lands owned by the national government, or any of its agencies or instrumentalities, without public bidding subject to the following conditions:

- (a) The lands are within a residential zone as classified by the local government unit concerned;
- (b) The lands are certified to be for socialized housing purpose by the HUDCC;
- (c) The occupants are qualified socialized housing program beneficiaries in accordance with the criteria set forth under Section 16 of the Urban Development and Housing Act;
- (d) The cost of said lands shall be made affordable to the beneficiaries taking into consideration their income and land valuation required in Section 13 of the Urban Development and Housing Act;
- (e) Any subsequent disposition of said lands shall be subject to the limitations of the disposition of lands for socialized housing under the Urban Development and Housing Act (Section 14);
- (f) The occupants have resided on the said lands subject to the prohibitions provided in Section 30, prohibitions against new illegal structures, of the Urban Development and Housing Act.

The nation continues to suffer from a very huge housing backlog. It ranges anywhere from 3.5 million to 4.5 million housing units. It is, therefore, incumbent upon us to continue searching for solutions to this gargantuan problem. This measure would hopefully be a step towards this direction. It is also a measure designed to promote and protect the dignity of our people.

TERMINATION OF THE PERIOD OF INTERPELLATIONS

There being no reservation for interpellation, upon motion of Senator Cayetano, there being no objection, the Body closed the period of interpellations and proceeded to the period of amendments.

TERMINATION OF THE PERIOD OF AMENDMENTS

There being no committee or individual amendment, upon motion of Senator Cayetano, there being no objection, the Body closed the period of amendments.

APPROVAL OF SENATE BILL NO. 2518 ON SECOND READING

Submitted to a vote, there being no objection, Senate Bill No. 2518 was approved on Second Reading.

SUSPENSION OF CONSIDERATION OF SENATE BILL NO. 2518

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

SUSPENSION OF SESSION

Upon motion of Senator Cayetano, the session was suspended.

It was 8:00 p.m.

RESUMPTION OF SESSION

At 8:01 p.m., the session was resumed.

COMMITTEE REPORT NO. 154 ON SENATE BILL NO. 2497

(Continuation)

Upon motion of Senator Cayetano, there being no objection, the Body resumed consideration, on Second Reading, of Senate Bill No. 2497 (Committee Report No. 154), entitled

AN ACT PROVIDING FOR ADDITIONAL BENEFITS AND PROTECTION TO THE HOUSEHELPERS THEREBY AMENDING FOR THIS PURPOSE ARTICLES 141, 142, 143, 148 AND 151 OF CHAPTER 111 OF P.D. 442, AS AMENDED, OTHERWISE KNOWN AS "THE LABOR CODE OF THE PHILIPPINES."

Senator Cayetano stated that the parliamentary status was the period of individual amendments. *At*

Thereupon, the Chair recognized Senator Ejercito Estrada (J), Sponsor of the measure.

SUSPENSION OF SESSION

Upon motion of Senator Ejercito Estrada (J), the session was suspended.

It was 8:03 p.m.

RESUMPTION OF SESSION

At 8:05 p.m., the session was resumed.

MADRIGAL AMENDMENT

On page 6, line 23, after the quotation mark (“), as proposed by Senator Madrigal and modified by the Sponsor, there being no objection, the Body approved the insertion of the sentence THE PREMIUM PAYMENTS FOR PHILHEALTH CONTRIBUTIONS SHALL BE SHOULDERED BY THE EMPLOYER.

For the record, Senator Madrigal submitted the following documents: the position papers of labor groups and party-list *Anak Pavis* and the National Federation of Peasant Women (Amihan).

Senator Ejercito Estrada (J) likewise submitted for the record the letter of the Bishops Businessmen’s Conference for Human Development.

LACSON AMENDMENT

On behalf of Senator Lacson, as proposed by the Sponsor, there being no objection, the Body approved the following amendments, one after the other:

1. On page 3, between lines 11 and 12, insert a new paragraph to read as follows: THE EXPENSES INCURRED IN OBTAINING THE ABOVE-MENTIONED CERTIFICATES AS PREREQUISITES FOR EMPLOYMENT SHALL BE SHOULDERED BY THE EMPLOYER;
2. On the same page, lines 18 and 19, change the words and figure “TWO THOUSAND PESOS (P2,000.00)” to THREE THOUSAND PESOS (P3,000.00);
3. On the same page, lines 25 and 26, change the words and figure “ONE THOUSAND FIVE HUNDRED PESOS (P1,500.00)” to

TWO THOUSAND FIVE HUNDRED PESOS (P2,500.00);

4. On page 4, lines 1 and 2, change the words and figure “ONE THOUSAND PESOS (P1,000.00) to TWO THOUSAND PESOS (P2,000.00); and
5. On the same page, line 7, change the words and figure “One thousand pesos (P1,000.00) to TWO THOUSAND PESOS (P2,000.00).

TERMINATION OF THE PERIOD OF INDIVIDUAL AMENDMENTS

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

APPROVAL OF SENATE BILL NO. 2497 ON SECOND READING

Submitted to a vote, there being no objection, Senate Bill No. 2497 was approved on Second Reading.

REQUEST OF SENATOR MADRIGAL

Senator Madrigal requested that she be made part of the Senate panel to the bicameral committee. Senator Ejercito Estrada (J) agreed.

SUSPENSION OF CONSIDERATION OF SENATE BILL NO. 2497

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

SUSPENSION OF SESSION

Upon motion of Senator Cayetano, the session was suspended.

It was 8:11 p.m.

RESUMPTION OF SESSION

At 8:32 p.m., the session was resumed.

THIRD ADDITIONAL REFERENCE OF BUSINESS

Executive Director Bantug read the following Committee Reports which the Chair assigned to the Calendar for Ordinary Business: *AS*

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Committee Report No. 209, submitted jointly by the Committees on Public Services; Government Corporations and Public Enterprises; and Games, Amusement and Sports on House Bill No. 3409, introduced by Representative Domogan, *et al.*, entitled

AN ACT FURTHER AMENDING
PRESIDENTIAL DECREE NO. 1869,
OTHERWISE KNOWN AS PAGCOR
CHARTER,

recommending its approval without amendment.

Sponsor: Senator Arroyo

Committee Report No. 210, submitted by the Committee on Public Services, on House Bill No. 5373, introduced by Representative Codilla, *et al.*, entitled

AN ACT AMENDING THE FRANCHISE
OF ORMOC CITY TELEPHONE
COMPANY, INC. GRANTED UNDER
REPUBLIC ACT NO. 3482, AND
EXTENDING/RENEWING THE
TERM THEREOF TO ANOTHER
TWENTY-FIVE (25) YEARS FROM
THE DATE OF EFFECTIVITY OF
THIS ACT,

recommending its approval with amendments.

Sponsor: Senator Arroyo

SPECIAL ORDER

Upon motion of Senator Cayetano, there being no objection, the Body approved the transfer of Committee Report No. 210 on House Bill No. 5373 from the Calendar for Ordinary Business to the Calendar for Special Orders.

COMMITTEE REPORT NO. 210 ON HOUSE BILL NO. 5373

Upon motion of Senator Cayetano, there being no objection, the Body considered, on Second Reading, House Bill No. 5373 (Committee Report No. 210), entitled

AN ACT AMENDING THE FRANCHISE
OF ORMOC CITY TELEPHONE

COMPANY, INC. GRANTED UNDER
REPUBLIC ACT NO. 3482, AND
EXTENDING/RENEWING THE
TERM THEREOF TO ANOTHER
TWENTY-FIVE (25) YEARS FROM
THE DATE OF EFFECTIVITY OF
THIS ACT.

Pursuant to Section 67, Rule XXIII of the Rules of the Senate, with the permission of the Body, upon motion of Senator Cayetano, only the title of the bill was read without prejudice to the insertion of its full text into the Record of the Senate.

Thereupon, the Chair recognized Senator Arroyo for the sponsorship.

SPONSORSHIP REMARKS OF SENATOR ARROYO

Senator Arroyo stated that the Ormoc City Telephone Company has been operating for 25 years under a legislative grant. He informed the Body that no other firm has applied for a telephone franchise in Ormoc City, and that the owners of the telephone company have asked that their operations be extended to the two Leyte provinces together with Biliran.

Senator Arroyo disclosed that the company has an authorized capital of P20 million with a paid-up capital of P8.5 million. He said that the National Telecommunications Commission posed no objection to the application, and after careful deliberation, the Committee decided to submit the application for the Body's consideration. He urged the Body to approve the bill.

SUSPENSION OF CONSIDERATION OF HOUSE BILL NO. 5373

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

SPECIAL ORDER

Upon motion of Senator Cayetano, there being no objection, the Body approved the transfer of Committee Report No. 209 on House Bill No. 3409 from the Calendar for Ordinary Business to the Calendar for Special Orders.

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MANIFESTATION OF SENATOR GORDON

Senator Gordon manifested that he was not in the hall when Senate Bill No. 2260 was passed on Third Reading. He requested reconsideration of the approval of said measure as certain provisions contained therein would alter significantly the true intent of a free port. He cited Section 11 of the bill where the word EQUIPMENT was added to the phrase "goods and capital" on line 8, and the phrase "capital and equipment" on line 11 was reworded to MATERIALS AND CAPITAL EQUIPMENT. He stated that he had informed Senator Recto of his intention to amend certain provisions of the bill.

RECONSIDERATION OF THE APPROVAL ON THIRD READING OF SENATE BILL NO. 2260

Upon motion of Senator Enrile, there being no objection, the Body reconsidered the approval, on Third Reading, of Senate Bill No. 2260.

As a consequence, the period of individual amendments was reopened.

INQUIRY OF THE CHAIR

Asked by the Chair whether he had cleared the matter with Senator Recto, Sponsor of the measure, Senator Gordon informed the Body that Senator Recto had given his permission to amend the bill further as a matter of style.

GORDON AMENDMENTS

As proposed by Senator Gordon, there being no objection, the Body approved the following amendments:

1. On page 1, line 8, delete the word "equipment"; and
2. On the same page, line 11, between the words "materials" and "capital," delete the word "and."

TERMINATION OF THE PERIOD OF INDIVIDUAL AMENDMENTS

There being no other individual amendments, upon motion of Senator Cayetano, the Body closed the period of individual amendments.

APPROVAL OF SENATE BILL NO. 2260 ON SECOND READING

Submitted to a vote, there being no objection, Senate Bill No. 2260 was approved on Second Reading.

PRESIDENTIAL CERTIFICATION

Upon direction of the Chair, Executive Director Bantug read the President's certification as to the necessity of the immediate enactment of Senate Bill No. 2260, to wit:

MALACAÑAN PALACE
MANILA

June 6, 2006

HON. FRANKLIN M. DRILON
Senate President
Philippine Senate
Pasay City

Dear Senate President Drilon:

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 Senate Bill No. 2260, under Committee Report No. 77, entitled

AN ACT AMENDING REPUBLIC ACT.
NO. 7227, AS AMENDED, OTHER-
WISE KNOWN AS THE BASES
CONVERSION AND DEVELOP-
MENT ACT OF 1992, AND FOR
OTHER PURPOSES,

to meet a public emergency particularly of the urgent need to enhance the country's competitiveness in the foreign direct investments market consistent with national development objectives while correcting disparities in the fiscal incentives granted to duly-registered business enterprises within the special economic zone.

Best wishes.

Very truly yours,

(Sgd.) GLORIA MACAPAGAL ARROYO

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

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APPROVAL OF SENATE BILL NO. 2260 ON THIRD READING

In view of the presidential certification, upon motion of Senator Cayetano, there being no objection, the Body considered, on Third Reading, Senate Bill No. 2260.

Pursuant to Section 67, Rule XXIII of the Rules of the Senate, upon motion of Senator Cayetano, there being no objection, Executive Director Bantug read only the title of the bill, to wit:

AN ACT AMENDING REPUBLIC ACT NO. 7227, AS AMENDED, OTHERWISE KNOWN AS THE BASES CONVERSION AND DEVELOPMENT ACT 1992, AND FOR OTHER PURPOSES.

Executive Director Bantug called the roll for nominal voting.

RESULT OF THE VOTING

The result of the voting was as follows:

In favor

Arroyo	Gordon
Biazon	Lacson
Cayetano	Madrigal
Drilon	Osmeña
Ejercito Estrada (J)	Pimentel
Enrile	Villar
Flavier	

Against

None

Abstention

None

With 13 senators voting in favor, none against, and no abstention, the Chair declared Senate Bill No. 2260 approved on Third Reading.

COMMITTEE REPORT NO. 209 ON HOUSE BILL NO. 3409

Upon motion of Senator Cayetano, there being no objection, the Body considered, on Second Reading, House Bill No. 3409 (Committee Report No. 209), entitled

AN ACT FURTHER AMENDING PRESIDENTIAL DECREE NO. 1869, OTHERWISE KNOWN AS PAGCOR CHARTER.

Pursuant to Section 67, Rule XXIII of the Rules of the Senate, with the permission of the Body, upon motion of Senator Cayetano, only the title of the bill was read without prejudice to the insertion of its full text into the Record of the Senate.

The Chair recognized Senator Arroyo for the sponsorship.

SPONSORSHIP REMARKS OF SENATOR ARROYO

Senator Arroyo stated that the measure was forwarded by the House of Representatives to the Senate in January 2005 and the Body has been pressed to act on it. He said that the bill only seeks to extend the Pagcor franchise but there were three other pending bills on Pagcor that sought to reorganize, reconstruct its functions, and modify its tax aspects which would be considered at some future time.

Saying that he did not want it said that the Senate did not act on the bill, Senator Arroyo urged the Body to approve it.

SUSPENSION OF CONSIDERATION OF HOUSE BILL NO. 3409

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

SUSPENSION OF SESSION

Upon motion of Senator Cayetano, the session was suspended.

It was 8:48 p.m.

RESUMPTION OF SESSION

At 8:50 p.m., the session was resumed.

COMMITTEE REPORT NO. 196 ON SENATE BILL NO. 2541

(Continuation)

Upon motion of Senator Cayetano, there being no objection, the Body resumed consideration, on ~~at~~

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Second Reading, of Senate Bill No. 2541 (Committee Report No. 196), entitled

AN ACT PROVIDING FOR THE CONTROL AND ELIMINATION OF RABIES, PRESCRIBING PENALTIES FOR VIOLATION THEREOF AND APPROPRIATING FUNDS THEREFOR.

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

Thereupon, the Chair recognized Senator Cayetano, Sponsor of the measure, and Senator Osmena for his amendments.

OSMEÑA AMENDMENTS

As proposed by Senator Osmeña and accepted by the Sponsor, there being no objection, the Body approved the following amendments, one after the other:

1. On page 2, line 11, replace the word "Drug" with BARBITURATES;
2. On page 3, line 15, after the word "Veterinary," delete the phrase "Neuroleptic Drug" and in lieu thereof, insert OR HUMAN BARBITURATES;
3. On the same page, line 16, before the word "nervous," insert the word CENTRAL;
4. On the same page and line, delete the words "e.g. anesthetic" up to the words "tranquilizer, sedative" on line 17;
5. On page 5, line 5, after the word "or," insert the word FOR;
6. On page 6, line 5, after the words "of the," insert the phrase SALE AND USE OF VETERINARY AND HUMAN BARBITURATE DRUGS AND;
7. On the same page, line 6, delete the words "Neuroleptic and";
8. On page 7, line 19, after the words "registration of," insert the phrase VETERINARY AND HUMAN BARBITURATE DRUGS AND;
9. On the same page, line 20, delete the words "Neuroleptic and";
10. On page 8, line 12, change the word "must" to SHALL;
11. On page 9, line 14, delete the words "slaughter and";
12. On the same page, line 20, delete the period (.) and insert the following: AND/OR WITH PRIVATE ANIMAL SHELTERS AND CONTROL FACILITIES; and
13. On page 13, after line 13, insert a new subsection to read as follows: 7) ANY PERSON FOUND GUILTY OF TRADING DOG FOR MEAT SHALL BE FINED NOT LESS THAN FIVE THOUSAND PESOS (P5,000) PER DOG AND SUBJECTED TO IMPRISONMENT FOR ONE (1) TO FOUR (4) YEARS.

Senator Cayetano stated that Senator Madrigal has a continuing reservation to amend the bill and the resource persons have stayed around for that purpose. She noted that apparently, Senator Madrigal was not ready to introduce her amendments. She expressed disappointment that the approval of a simple measure was being delayed.

For her part, Senator Madrigal affirmed that she was not ready to introduce her amendments, saying that, in fact, she arose from her sickbed because she was concerned about the bill. She said that it was unfortunate that it was already nine o'clock in the evening and she was not feeling well to give justice to the measure. She said that she could not understand why the bill was being rushed when it was not certified and only one hearing was conducted on it. She expressed the view that the senators would do the measure justice if they were to devote more time to it on floor discussion. She denied that she was delaying or obstructing the bill, as she cautioned that haste makes waste.

SUSPENSION OF CONSIDERATION OF SENATE BILL NO. 2541

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

COMMITTEE REPORT NO. 34 ON SENATE BILL NO. 2137

(Continuation)

Upon motion of Senator Cayetano, there being no objection, the Body resumed consideration, on Second Reading, of Senate Bill No. 2137 (Committee Report No. 34), entitled

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AN ACT TO DEFINE AND PUNISH
THE CRIME OF TERRORISM
AND CONSPIRACY TO COMMIT
TERRORISM AND OTHER ACTS
INCIDENT THERETO, AND FOR
OTHER PURPOSES.

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

Thereupon, the Chair recognized Senator Enrile, Sponsor of the measure, and Senator Pimentel for his amendments.

REMARKS OF SENATOR PIMENTEL

Relative to Section 7, Senator Pimentel stated that certain surveillance methods could be allowed in the bill such as Magic Lantern, a keystroke logging software developed by the FBI which can be installed remotely by way of electronic mail or by common operating systems; the Carnivore e-mail monitoring system that can reconstruct e-mail messages; the Pen Register that records all numbers dialed from a telephone; and the Trap and Trace device that intercepts voice and data calls.

Senator Enrile clarified that the bill does not define the electronic device to be utilized but law enforcement agencies should be authorized to use them under strict rules and safeguards to protect society and, at the same time, ensure that there would be no abuses. Senator Pimentel informed the Body that in the United States, under the Foreign Intelligence Surveillance Act, the only spying allowed is on non-Americans because under the Fourth Amendment of the U.S. Constitution, "the right of the people to be secure in their persons, houses, papers and effects against unreasonable searches and seizures shall not be violated..." He called attention to the fact that this was also incorporated in Article III, Section 2 of the Philippine Constitution. He argued that the constitutional restraint against unreasonable searches and seizures cannot be modified under any circumstance.

But Senator Enrile said that the Anti-Wiretapping Law allows wiretapping upon authorization of the court. He assured the Body that if the measure becomes a law and if by chance the surveillance conducted by law enforcement units is not in accord with the Constitution, it would be for the courts to so declare. He said that there must be a presumption

that what the Body is doing is constitutional and in the event a case comes to court, it would be guided accordingly.

Asked if the task force against terrorism would no longer be created, Senator Enrile replied in the affirmative.

At this point, Senator Pimentel yielded the floor to Senator Lacson.

LACSON AMENDMENTS

Senator Lacson proposed to include the legal requirements in the application for judicial authorization to trace, tap or overhear, intercept or record conversations using the wording of Rule 113, Section 5 of the Revised Rules on Criminal Procedure.

SUSPENSION OF SESSION

Upon motion of Senator Lacson, the session was suspended.

It was 9:15 p.m.

RESUMPTION OF SESSION

At 9:16 p.m., the session was resumed.

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

1. On page 9, lines 21 and 24, and wherever it appears in the bill, delete the phrase ARE REASONABLE GROUNDS TO BELIEVE and in lieu thereof, insert the phrase IS PROBABLE CAUSE TO BELIEVE BASED ON PERSONAL KNOWLEDGE OF FACTS OR CIRCUMSTANCES;
2. Wherever appropriate in the bill, subject to style, insert the sentence: AN ACCESSORY PENALTY OF PERPETUAL ABSOLUTE DISQUALIFICATION FROM PUBLIC OFFICE SHOULD BE IMPOSED ON THE LAW ENFORCEMENT AGENT WHO WILL VIOLATE; and
3. On page 4, line 4, after the word *PERPETUA*, subject to style, insert the phrase WITHOUT THE BENEFIT OF PAROLE AS PROVIDED FOR UNDER REPUBLIC ACT NO. 4103, OTHERWISE KNOWN AS THE INDETERMINATE SENTENCE LAW, AS AMENDED; *AK*

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Senator Enrile clarified that the nonparole provision would apply only to the terrorists or conspirators.

SUSPENSION OF SESSION

Upon motion of Senator Villar, the session was suspended.

It was 9:22 p.m.

RESUMPTION OF SESSION

At 9:22 p.m., the session was resumed.

SUSPENSION OF SESSION

Upon motion of Senator Villar, the session was suspended.

It was 9:23 p.m.

RESUMPTION OF SESSION

At 9:23 p.m., the session was resumed.

PIMENTEL AMENDMENTS

(Continuation)

As proposed by Senator Pimentel and accepted by the Sponsor, there being no objection, the Body approved the following amendments, one after the other:

1. On page 9, line 13, as modified by the Sponsor, bracket the phrase "charged with or";

Senator Pimentel explained that the proposal was made in light of the fact that the *ex parte* character of the application for judicial authorization should not apply to persons who have been charged with terrorism as they should have been served notice.

2. On page 8, between lines 18 and 19 of Section 7, subject to style, insert the following paragraph: WIRETAP UNDER THIS SECTION SHALL NOT BE AUTHORIZED TO COVER COMMUNICATION, CONVERSATION AND DISCUSSIONS BETWEEN LAWYER AND CLIENT, PHYSICIAN AND PATIENT, JOURNALIST AND A SOURCE; AND BUSINESS CORRESPONDENCE;

Senator Pimentel explained that the exemption is based on the appreciation that lawyers and their

clients must have confidentiality of communication as it is vital for the administration of justice; physicians need to be able to prescribe certain medical treatment to their patients without being intruded upon by law enforcement agencies; the sanctity of communication between journalists and their sources must be maintained as it is part of the freedom of speech and of the press under the Constitution; and business correspondence should remain confidential as enterprises need to have the freedom to operate in accordance with the law.

3. On page 10, Section 9, line 13, after the word "ACT," delete the words IN ORDER and in lieu thereof, insert the phrase AND HIS RIGHT;
4. On page 12, Section 10, and wherever found in the bill, subject to style, change the effective period of judicial authorization to surveil from 60 days to NOT MORE THAN 30 DAYS EXTENDABLE FOR ANOTHER PERIOD OF NOT MORE THAN 30 DAYS; and in the case of examination of bank accounts, the authorization period shall not exceed 30 DAYS, EXTENDABLE FOR NOT MORE THAN 30 DAYS;
5. On page 13, line 18, Section 11, and wherever found in the bill, as modified by the Sponsor, change the custody period from "ninety-six (96)" to FORTY-EIGHT hours;
6. On page 14, between lines 9 and 10, insert the following paragraphs:

IT SHALL BE UNLAWFUL FOR ANY PERSON, POLICE OFFICER OR CUSTODIAN OF THE TAPES, DISKS AND RECORDINGS AND THEIR EXCERPTS AND SUMMARIES, WRITTEN NOTES AND MEMORANDA TO REMOVE, DELETE, EXPUNGE, INCINERATE, SHRED, OR DESTROY IN ANY MANNER THE ITEMS ENUMERATED ABOVE IN WHOLE OR IN PART UNDER ANY PRETEXT WHATSOEVER;

ANY PERSON WHO REMOVES, DELETES, EXPUNGES, INCINERATES, SHREDS, OR DESTROYS THE ITEMS ENUMERATED ABOVE SHALL SUFFER A PENALTY OF NOT LESS THAN SIX (6) YEARS AND ONE (1) DAY TO TWELVE (12) YEARS.

7. On page 15, after line 10, subject to style, insert the following paragraph:

IT SHALL BE UNLAWFUL FOR ANY PERSON, POLICE OR GOVERNMENT LAW

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ENFORCEMENT OFFICIAL TO OMIT OR EXCLUDE FROM THE JOINT AFFIDAVIT ANY ITEM OR PORTION THEREOF MENTIONED IN THIS SECTION.

ANY PERSON, POLICE OR GOVERNMENT ENFORCEMENT OFFICER WHO COMMITS THE ACT PRESCRIBED IN THE PRECEDING PARAGRAPH SHALL SUFFER THE PENALTY OF *PRISION CORRECCIONAL* IN ITS MAXIMUM PERIOD.

SUSPENSION OF SESSION

Upon motion of Senator Enrile, the session was suspended.

It was 9:47 p.m.

RESUMPTION OF SESSION

At 9:47 p.m., the session was resumed.

8. Still on page 15, line 21, and wherever it appears in the bill, subject to style, delete the phrase "*an ex parte*" or "*ex parte*";
9. On page 16, line 2, between the words "application" and "to," insert the phrase WITH NOTICE TO THE PERSON WHOSE CONVERSATION, COMMUNICATION, MESSAGE, DISCUSSION OR SPOKEN OR WRITTEN WORDS HAS BEEN THE SUBJECT OF SURVEILLANCE, MONITORING, RECORDING, AND INTERCEPTION;
10. On the same page, between lines 3 and 4, subject to style, insert a new paragraph to read as follows:

ANY PERSON, LAW ENFORCEMENT OFFICIAL OR JUDICIAL AUTHORITY WHO VIOLATES HIS DUTIES DEFINED ABOVE SHALL SUFFER THE PENALTY OF *PRISION CORRECCIONAL* IN ITS MAXIMUM PERIOD.

11. On page 16, line 5, after the word "application," insert the phrase WITH NOTICE TO THE PARTY CONCERNED;

With regard to Section 17, *Proscription of Terrorist Organizations, Association, or Group of Persons*, Senator Pimentel observed that the proscribed organization gets a favored treatment than a suspect who is subjected to severe restrictions. Senator Enrile opined that it would be best to accord an organization a hearing because once proscribed,

there is a lot of implication to its members; on the other hand, an individual is a direct target of government action. He recalled that this is the reason he readily agreed to Senator Drilon's proposal to delete the penalty on membership.

Asked how a financier of a proscribed terrorist organization would be punished, Senator Enrile clarified that if he contributed to the organization without knowing that it is a terrorist organization, he would not be punished; on the other hand, if he contributed to a known terrorist organization and the money is used to commit a terrorist act, he would be charged as a conspirator.

On whether a regional trial court could be designated for the purpose of proscribing a terrorist organization, Senator Enrile stated that there is no need to do so because the organization could appeal the proscription to the higher courts.

12. On page 19, Section 18, and wherever applicable in the bill, change the detention period for warrantless arrest from "FIVE (5)" days to THREE (3) days;

Senator Pimentel observed that during the suspension of the privilege of the writ of *habeas corpus*, a person can be detained for a maximum period of three days.

13. On page 20, Section 19, as modified by the Sponsor, change the period from "FIVE (5)" days to THREE (3) days;

14. On page 21, line 17, after the colon (:), subject to style, reword the rest of the provision as follows: INFORMED BY THE ARRESTING POLICE OR LAW ENFORCEMENT OFFICERS OR BY THE POLICE OR LAW ENFORCEMENT OFFICERS TO WHOSE CUSTODY THE PERSON CONCERNED IS BROUGHT FOR PURPOSES OF DETENTION OF HIS OR HER RIGHT (1) TO REMAIN SILENT; (2) TO COUNSEL; (3) TO COMMUNICATE WITH COUNSEL OF CHOICE FREELY AND PRIVATELY; (4) IF HE OR SHE CANNOT AFFORD COUNSEL OF CHOICE, THE POLICE OR LAW ENFORCEMENT OFFICERS CONCERNED SHALL IMMEDIATELY CONTACT THE FREE LEGAL ASISTANCE UNIT OF THE INTEGRATED BAR OF THE PHILIPPINES (IBP) OR THE PUBLIC ATTORNEY'S OFFICE (PAO) AND IT SHALL BE THE DUTY OF THE FREE LEGAL

ASSISTANCE UNIT OF THE IBP OR THE PAO THUS CONTACTED TO IMMEDIATELY VISIT THE PERSON OR PERSONS DETAINED AND PROVIDE HIM OR HER WITH LEGAL ASSISTANCE; (5) TO BE INFORMED OF THE CAUSE OR CAUSES OF DETENTION; (6) TO COMMUNICATE FREELY WITH OR BE VISITED BY HIS FAMILY OR NEAREST OF KIN; AND (7) TO AVAIL OF THE SERVICES OF A PHYSICIAN OR PHYSICIANS;

15. On page 22, between lines 13 and 14, subject to style, insert a new paragraph to read as follows:

UNLESS THE POLICE OR LAW ENFORCEMENT PERSONNEL WHO VIOLATED THE RIGHTS OF A DETAINEE OR DETAINEES AS STATED ABOVE IS DULY IDENTIFIED, THE SAME PENALTY SHALL BE IMPOSED ON THE POLICE OFFICER OR HEAD OR LEADER OF THE LAW ENFORCEMENT UNIT HAVING CUSTODY OF THE DETAINEE AT THE TIME THE VIOLATION WAS DONE;

16. On the same page, line 20, delete the words "shall be MADE PUBLIC AND" and in lieu thereof, insert the words IS DECLARED A PUBLIC DOCUMENT; and on line 21, after the word "party," insert the words AT ANY TIME OF THE DAY OR NIGHT;
17. On page 23, lines 22 and 23, subject to style, indicate the penalty in actual number of years;
18. On page 24, line 3, and wherever found in the bill, between the words "moral" and "pressure," insert the words OR PSYCHOLOGICAL;
19. On page 25, line 4, between the words "IS" and "STRONG," insert the word NOT;
20. On the same page, line 16, after the period (.), insert the words HE OR SHE MAY ALSO BE PLACED UNDER HOUSE ARREST BY ORDER OF THE COURT AT HIS OR HER USUAL PLACE OF RESIDENCE;
21. On page 25, line 17, reword Section 26 as follows:

SEC. 26. *Judicial Authorization Required to Examine Bank Deposits, Accounts, and Records.* – THE PROVISIONS OF REPUBLIC ACT NO. 1405 AS AMENDED, TO THE CONTRARY NOTWITHSTANDING, THE JUSTICES OF THE COURT OF APPEALS DESIGNATED AS A SPECIAL

COURT TO HANDLE ANTI-TERRORISM CASES AFTER SATISFYING THEMSELVES OF THE EXISTENCE OF PROBABLE CAUSE THAT (1) A PERSON CHARGED WITH OR SUSPECTED OF THE CRIME OF TERRORISM OR CONSPIRACY TO COMMIT TERRORISM, (2) OF A JUDICIALLY DECLARED AND OUTLAWED TERRORIST ORGANIZATION, ASSOCIATION, OR GROUP OF PERSONS, AND (3) OF A MEMBER OF SUCH ORGANIZATION, ASSOCIATION, OR GROUP OF PERSONS, MAY AUTHORIZE IN WRITING ANY POLICE OR LAW ENFORCEMENT OFFICER AND THE MEMBERS OF HIS/HER TEAM DULY AUTHORIZED BY THE ANTI-TERRORISM COUNCIL TO: (A) EXAMINE, OR CAUSE THE EXAMINATION OF, THE DEPOSITS, PLACEMENTS, TRUST ACCOUNTS, ASSETS AND RECORDS IN A BANK OR FINANCIAL INSTITUTION; AND (B) GATHER OR CAUSE THE GATHERING OF ANY DESIRED INFORMATION ABOUT SUCH DEPOSITS, PLACEMENTS, TRUST ACCOUNTS, ASSETS, AND RECORDS FROM A BANK OR FINANCIAL INSTITUTION. THE BANK OR FINANCIAL INSTITUTION CONCERNED SHALL NOT REFUSE TO ALLOW SUCH EXAMINATION OR TO PROVIDE THE DESIRED INFORMATION, WHEN SO ORDERED BY AND SERVED WITH THE WRITTEN ORDER OF THE COURT OF APPEALS.

22. Wherever appropriate in the bill, subject to style, insert the following provision: THERE SHALL BE ONE COURT OF APPEALS DIVISION ASSIGNED RESPECTIVELY IN MANILA, CEBU CITY AND CAGAYAN DE ORO CITY TO HANDLE CASES OF TERRORISM IN LUZON, VISAYAS AND MINDANAO, RESPECTIVELY;

Senator Pimentel explained that the amendment would compel the corresponding division of the Court of Appeals to acquire some expertise on the cases of terrorism that it would handle.

23. On page 28, line 19, subject to style, delete the words "IN ORDER" and in lieu thereof, insert the words AND HIS OR HER RIGHT;
24. On page 28, Section 28, line 21, subject to style, after the word COURT OF APPEALS, insert the phrase DESIGNATED TO HANDLE CASES INVOLVING IN TERRORISM;
25. On page 33, between lines 8 and 9, add another paragraph, to wit: NO PART OF

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THE INFORMATION, DATA, EXCERPTS, SUMMARIES, NOTES, MEMORANDA, WORKING SHEETS, REPORTS, AND DOCUMENTS MENTIONED HEREIN WAS DELETED, EXPUNGED OR ERASED FROM, OR MODIFIED, CHANGED OR ALTERED IN THE ORIGINAL;

26. Wherever it appears in the bill, replace "Regional Trial Court" with COURT OF APPEALS ;
27. On page 32, line 17, delete the word "and"; on line 23, replace the period (.) with a semi-colon (;) and insert the following, subject to style: AND (G) THAT THE ITEMS ENUMERATED WERE ALL THAT WERE FOUND IN THE BANK OR FINANCIAL INSTITUTION EXAMINED AT THE TIME OF THE COMPLETION OF THE EXAMINATION.;
28. On page 33, Section 32, line 22, before the word "application," insert the phrase WITH NOTICE IN WRITING TO THE PARTY CONCERNED NOT LATER THAN THREE (3) DAYS BEFORE THE SCHEDULED OPENING.;
29. On page 34, line 2, after the word "application," insert the words WITH NOTICE IN WRITING TO THE PARTY CONCERNED.;
30. On the same page, reword line 16 to read SECURED IN VIOLATION OF THE PROVISIONS OF THIS ACT, SHALL.;
31. On page 35, line 23, after the word "SHALL," insert the words UPON MOTION DULY FILED.;

As regards Section 38, Senator Pimentel expressed concern that the section is fraught with dangerous implications to the constitutionally guaranteed rights of the individual. He noted that under the section, the person is treated as already guilty of the charge even before trial and is deprived of at least three of his fundamental rights, namely, his right not to be deprived of his property without due process, his right to equal protection of the laws, and his right to be presumed innocent until proven guilty.

Senator Enrile conceded that the impression was correct if the section was read in isolation. But he pointed out that Section 39 provides that the seized or frozen assets are deemed held in trust by the bank or financial institution for the person and the government during the pendency of the investigation and trial,

while Section 40 mandates that such seized or frozen assets be deemed released and restored to the person without delay if he is found innocent after the investigation, the case is dismissed before the arraignment, or he is acquitted after arraignment by a competent court. He said that if the person is convicted by final judgment, his seized or frozen assets are automatically forfeited in favor of the government.

Senator Pimentel pointed out that the accused is presumed innocent until proven otherwise; and he enjoys certain rights: to counsel, to be heard, to be informed of the nature of the accusation against him, to a speedy and impartial trial, to confront witnesses, to produce evidence in his behalf. He believed that with the present wording of the provision, the right of the individual to be presumed innocent would be reduced by the simple expedience of charging him for terrorism.

In addition, Senator Pimentel pointed out that the person's belongings, property, assets and the like are immediately seized, sequestered and frozen even if he is only a suspect which does not balance with his constitutional guaranteed rights. He proposed that even before a Filipino citizen is charged as a terrorist, it must be shown first that he conspired with a foreign terrorist or a terrorist organization and that the seizure, sequestration, and freezing of his assets and properties would not totally disable him from using them to sustain his needs including payments for counsel and maintenance for his family.

33. Wherever appropriate in the bill, subject to style, insert the following paragraph: THE ACCUSED MAY WITHDRAW SUCH AMOUNTS AS MAY BE REASONABLY NEEDED BY THE MONTHLY REQUIREMENTS OF HIS FAMILY OR HIS FAMILY'S MEDICAL NEEDS AND TO PAY THE SERVICES OF COUNSEL UPON APPROVAL OF THE COURT. HE OR SHE MAY ALSO USE ANY OF HIS/HER PROPERTY THAT IS UNDER SEIZURE OR SEQUESTRATION OR FROZEN BECAUSE OF HIS/HER OR HER INDICTMENT AS TERRORIST UPON PERMISSION OF THE COURT FOR ANY LEGITIMATE REASON.
34. On page 37, line 10, replace the words "government or any of its instrumentalities" with STATE.;
35. On the same page, line 19, subject to style, delete the period (.) after the words "may be" and insert a comma (,) and the clause

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AND THEIR USE OR DISPOSITION WHILE THE CASE IS PENDING SHALL BE SUBJECT TO THE APPROVAL OF THE COURT BEFORE WHICH THE CASE OR CASES ARE PENDING.;

36. On page 38, between line 13 and 14, insert the following paragraph: UPON HIS/HER ACQUITTAL OR THE DISMISSAL OF THE CHARGES AGAINST HIM/HER, THE AMOUNT OF FIFTY THOUSAND (P50,000) A DAY FOR THE PERIOD IN WHICH HIS/HER PROPERTIES, ASSETS, OR FUNDS WERE SEIZED WILL BE PAID TO HIM/HER IN THE CONCEPT OF LIQUIDATED DAMAGES. THE AMOUNTS SHALL BE TAKEN FROM THE APPROPRIATIONS OF POLICE OR LAW ENFORCEMENT AGENCY THAT CAUSED THE FILING OF THE ENUMERATED CHARGES AGAINST HIM/HER.;
37. On the same page, at the end of line 24, subject to style, insert the phrase A PERSON WHO UNJUSTIFIABLY PREVENTS THE USE OF A SEQUESTERED PROPERTY SHALL SUFFER THE PENALTY OF *PRISION MAYOR* IN ITS MAXIMUM PERIOD;
38. On page 42, Section 51, change the composition of the Anti-Terrorism Council as follows: THE EXECUTIVE SECRETARY, AS CHAIR AND THE SECRETARY OF JUSTICE AS VICE CHAIR, SECRETARY OF FOREIGN AFFAIRS, SECRETARY OF THE INTERIOR AND LOCAL GOVERNMENT, SECRETARY OF NATIONAL DEFENSE, SECRETARY OF FINANCE AND NATIONAL SECURITY ADVISER AS MEMBERS;
39. On page 41, delete Section 48;
40. On page 44, Section 52, subject to style, wherever appropriate, add a new subsection to read as follows: THE FREEZING OF FUNDS AND PROPERTIES SHALL BE DONE PURSUANT TO THE AMLA AND OTHER PERTINENT LAWS.
41. On page 45, line 6, delete the word "seek" up to the word "BE," on line 9 and in lieu thereof, subject to style, insert the phrase TO REQUEST THE SUPREME COURT TO DESIGNATE A SPECIFIC DIVISION OF THE COURT OF APPEALS IN METRO MANILA, CEBU, AND CAGAYAN DE ORO, TO HANDLE CASES OF TERRORISM COMMITTED IN

LUZON, THE VISAYAS, AND MINDANAO RESPECTIVELY; and after the period (.) on line 11, insert the following paragraph: THE DEPARTMENT OF JUSTICE SECRETARY SHALL ASSIGN A TEAM OF PROSECUTORS FROM (A) LUZON TO HANDLE TERRORISM CASES FILED IN THE PROPER REGIONAL TRIAL COURT IN MANILA; (B) THE VISAYAS TO HANDLE TERRORISM CASES FILED IN THE PROPER REGIONAL TRIAL COURT IN CEBU CITY; AND (C) MINDANAO TO HANDLE TERRORISM CASES FILED IN THE PROPER REGIONAL TRIAL COURT IN CAGAYAN DE ORO CITY.

42. On page 46 , line 15, subject to style, delete the words ANY CONTRARY PROVISION and in lieu thereof, insert the words SUBJECT TO THE PROVISIONS OF;
43. Subject to style, reword the title of the bill as follows:

AN ACT TO SECURE THE STATE
AND PROTECT OUR PEOPLE
FROM TERRORISM.

CLEAN COPY

At the instance of Senator Enrile, the Chair directed the Secretariat to prepare a clean copy of the bill incorporating the approved amendments.

SUSPENSION OF CONSIDERATION OF SENATE BILL NO. 2137

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

RECONSIDERATION OF THE ADOPTION OF HOUSE CONCURRENT RESOLUTION NO. 31

Upon motion of Senator Pangilinan, there being no objection, the Body reconsidered the adoption of House Concurrent Resolution No. 31.

MANIFESTATION OF SENATOR PANGILINAN

Senator Pangilinan informed the Body that Senator Osmeña has amendments to the resolution.

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SUSPENSION OF SESSION

Upon motion of Senator Pangilinan, the session was suspended.

It was 11:08 p.m

RESUMPTION OF SESSION

At 11:08 p.m., the session was resumed.


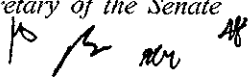
Senator Pangilinan announced that in the next day's session, the Body would approve several measures on Third Reading and take up the anti-rabies bill, upon request of Senator Cayetano. He reminded the Body that there would be a roll call in the morning.

ADJOURNMENT OF SESSION

Upon motion of Senator Pangilinan, there being no objection, Senate President Pro Tempore Flavio de la Cruz declared the session adjourned until ten o'clock in the morning of the following day.

It was 11:09 p.m.

I hereby certify to the correctness of the foregoing.


OSCAR G. YABES
Secretary of the Senate


Approved on January 22, 2007