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SESSION NO. 88

Wednesday, June 11, 2008

**FOURTEENTH CONGRESS
FIRST REGULAR SESSION**

SESSION NO. 88
Wednesday, June 11, 2008

CALL TO ORDER

At 3:08 p.m., the Senate President, Hon. Manny Villar, called the session to order.

PRAYER

Sen. Aquilino Q. Pimentel Jr. led the prayer, to wit:

Lord,

Unless a special session is called, the sessions of the 14th congressional term end today.

The end of our sessions underscores the transient character of the work we do in the Senate, indeed, of everything we do in our lives.

And so, today, as we try to rush the work that we should have done many yesterdays ago, we ask ourselves individually:

As a senator, have I given the best of what I can do for our country, not for special interests?

As a senator, have I truly advanced the agenda of our people, not my own?

As a senator, have I truly promoted the welfare of the nation, not my family's?

As a senator, have my acts concretely tallied with my rule of law advocacy and espousal of the tenets of democracy?

If we have done all these, O Lord, our conscience should rest easy even if what we do as senators is understood only by a few and misunderstood by many.

If we have not done all these, O Lord, help us make up for our failings in the next session of Congress in July.

The beauty of our stint in the Senate as it is in our sojourn on earth is that while the principle of life pulsates in us, no matter how many times we stumble, with Your grace, O Lord, we can always get up again and again and work for a better tomorrow.

All these we ask in the Name of our Savior.

Amen.

ROLL CALL

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

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

With 20 senators present, the Chair declared the presence of a quorum.

Senator Cayetano (A) arrived after the roll call.

Senator Lacson was unable to attend the session due to a previously accepted engagement. ~~He~~

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Senator Trillanes was unable to attend the session as he is under detention.

DEFERMENT OF THE APPROVAL OF THE JOURNAL

Upon motion of Senator Pangilinan, there being no objection, the Body deferred the consideration and approval of the Journal of Session No. 87.

REFERENCE OF BUSINESS

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

BILLS ON FIRST READING

Senate Bill No. 2387, entitled

AN ACT PUNISHING THE PILFERAGE OR THEFT OF ANY MATERIAL, PRODUCT, MERCHANDISE, ARTICLE, EQUIPMENT OR BY-PRODUCT MANUFACTURED, PRODUCED, OWNED OR BELONGING TO INFORMATION TECHNOLOGY ENTERPRISES LOCATED IN SPECIAL ECONOMIC ZONES

Introduced by Senator Miriam Defensor Santiago

To the Committees on Economic Affairs; and Justice and Human Rights

Senate Bill No. 2388, entitled

AN ACT ESTABLISHING THE CLIMATE CHANGE EDUCATIONAL PROGRAM

Introduced by Senator Miriam Defensor Santiago

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

Senate Bill No. 2389, entitled

AN ACT DEFINING AND PENALIZING THE CRIME OF CRIMINAL NEGLIGENCE OF A VULNERABLE

ELDERLY PERSON OR A PERSON WITH DISABILITY

Introduced by Senator Miriam Defensor Santiago

To the Committees on Social Justice, Welfare and Rural Development; and Justice and Human Rights

COMMITTEE REPORTS

Committee Report No. 71, prepared and submitted jointly by the Committees on Health and Demography; and Finance, on Senate Bill No. 2390, with Senators Miriam Defensor Santiago, Loren Legarda and Compañera Pia S. Cayetano as authors thereof, entitled

AN ACT ESTABLISHING A UNIVERSAL NEWBORN HEARING SCREENING PROGRAM FOR THE PREVENTION, EARLY DIAGNOSIS AND INTERVENTION OF HEARING LOSS AMONG CHILDREN,

recommending its approval in substitution of Senate Bill Nos. 1209 and 1372.

Sponsor: Senator Loren Legarda

To the Calendar for Ordinary Business

Committee Report No. 72, prepared and submitted by the Committee on Youth, Women and Family Relations, on Senate Bill No. 2391, with Senators Pimentel Jr., Miriam Defensor Santiago and Loren Legarda as authors thereof, entitled

AN ACT REQUIRING THE CERTIFICATION OF THE DEPARTMENT OF SOCIAL WELFARE AND DEVELOPMENT (DSWD) TO DECLARE A "CHILD LEGALLY AVAILABLE FOR ADOPTION" AS A PREREQUISITE FOR ADOPTION PROCEEDINGS, AMENDING FOR THIS PURPOSE CERTAIN PROVISIONS OF REPUBLIC ACT NO. 8552, OTHERWISE KNOWN AS THE DOMESTIC ADOPTION ACT OF 1998, REPUBLIC ACT NO. 8043, OTHERWISE KNOWN AS THE

INTERCOUNTRY ADOPTION ACT OF 1995, PRESIDENTIAL DECREE NO. 603, OTHERWISE KNOWN AS THE CHILD AND YOUTH WELFARE CODE, AND FOR OTHER PURPOSES,

recommending its approval in substitution of Senate Bill Nos. 113, 1634 and 2012.

Sponsors: Senators M.A. Madrigal, Pimentel Jr., Miriam Defensor Santiago and Loren Legarda

To the Calendar for Ordinary Business

Committee Report No. 73, prepared and submitted jointly by the Committees on Environment and Natural Resources; and Finance, on Senate Bill No. 2392, with Senators M.A. Madrigal, Loren Legarda and Compañera Pia S. Cayetano as authors thereof, entitled

AN ACT ESTABLISHING THE MOUNTAINS OF BANAHAW AND SAN CRISTOBAL IN THE PROVINCES OF LAGUNA AND QUEZON AS A PROTECTED AREA, UNDER THE CATEGORY OF PROTECTED LANDSCAPE PROVIDING FOR ITS MANAGEMENT AND FOR OTHER PURPOSES,

recommending its approval in substitution of Senate Bill Nos. 174 and 1065.

Sponsor: Senator Compañera Pia S. Cayetano

To the Calendar for Ordinary Business

Committee Report No. 74, prepared and submitted jointly by the Committees on Environment and Natural Resources; and Finance, on Senate Bill No. 2393, with Senators M.A. Madrigal, Loren Legarda and Compañera Pia S. Cayetano as authors thereof, entitled

AN ACT ESTABLISHING THE APO REEF IN SABLAYAN, OCCIDENTAL MINDORO AS A PROTECTED AREA UNDER THE CATEGORY OF NATURAL PARK AND ITS PERIPHERAL WATERS AS BUFFER

ZONES, PROVIDING FOR ITS MANAGEMENT, AND FOR OTHER PURPOSES,

recommending its approval in substitution of Senate Bill Nos. 177 and 1068.

Sponsor: Senator Compañera Pia S. Cayetano

To the Calendar for Ordinary Business

Committee Report No. 75, prepared and submitted jointly by the Committees on Environment and Natural Resources; and Finance, on Senate Bill No. 2394, with Senators M.A. Madrigal, Loren Legarda and Compañera Pia S. Cayetano as authors thereof, entitled

AN ACT ESTABLISHING THE TUBBATAHA REEFS NATURAL PARK IN THE PROVINCE OF PALAWAN UNDER THE NIPAS ACT (RA 7586) AND SEP LAW (RA 7611), PROVIDING FOR ITS MANAGEMENT AND FOR OTHER PURPOSES,

recommending its approval in substitution of Senate Bill Nos. 171 and 1985.

Sponsor: Senator Compañera Pia S. Cayetano

To the Calendar for Ordinary Business

APPROVAL OF SENATE BILL NO. 2077 ON THIRD READING

Upon motion of Senator Pangilinan, there being no objection, the Body considered, on Third Reading, Senate Bill No. 2077, printed copies of which were distributed to the senators on June 5, 2008.

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

AN ACT ESTABLISHING THE PRE-NEED CODE OF 2008.

Secretary Reyes called the roll for nominal voting. *HR*

PS

RESULT OF THE VOTING

The result of the voting was as follows:

In favor

Angara	Lapid
Aquino	Legarda
Cayetano (P)	Madrigal
Defensor Santiago	Pangilinan
Ejercito Estrada	Pimentel
Enrile	Revilla
Escudero	Roxas
Gordon	Villar
Honasan	Zubiri

Against

None

Abstention

None

With 18 senators voting in favor, none against, and no abstention, the Chair declared Senate Bill No. 2077 approved on Third Reading.

SUSPENSION OF SESSION

Upon motion of Senator Pangilinan, the session was suspended.

It was 3:17 p.m.

RESUMPTION OF SESSION

At 3:18 p.m., the session was resumed.

MANIFESTATION OF SENATOR PANGILINAN

Senator Pangilinan manifested that Senators Ejercito Estrada, Revilla, Lapid and himself would not take part in the Third Reading of Senate Bill No. 2325.

The Chair took note of the manifestation.

APPROVAL OF SENATE BILL NO. 2325 ON THIRD READING

Upon motion of Senator Cayetano (P), there being no objection, the Body considered, on Third

Reading, Senate Bill No. 2325, printed copies of which were distributed to the senators on June 5, 2008.

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

AN ACT AMENDING SECTION 140 (A) OF REPUBLIC ACT NO. 7160, OTHERWISE KNOWN AS THE LOCAL GOVERNMENT CODE OF 1991.

Secretary Reyes called the roll for nominal voting.

RESULT OF THE VOTING

The result of the voting was as follows:

In favor

Angara	Escudero
Aquino	Gordon
Cayetano (A)	Honasan
Cayetano (P)	Legarda
Defensor Santiago	Pimentel
Enrile	Zubiri

Against

None

Abstention

Roxas

With 12 senators voting in favor, none against and one abstention, the Chair declared Senate Bill No. 2325 approved on Third Reading.

MANIFESTATION OF THE SENATE PRESIDENT

The Senate President manifested for the record that he did not participate in the voting.

EXPLANATION OF VOTE BY SENATOR ROXAS

Senator Roxas stated that he abstained because of a possible conflict of interest. *AR*

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**MANIFESTATION
OF SENATOR MADRIGAL**

Senator Madrigal manifested that she recused herself from voting on the bill since she has interests in cinemas.

SUSPENSION OF SESSION

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

It was 3:20 p.m.

RESUMPTION OF SESSION

At 3:22 p.m., the session was resumed.

**MANIFESTATION
OF SENATOR EJERCITO ESTRADA**

Senator Ejercito Estrada stated that although Senate Bill No. 2325 is very laudable, conscience dictates that he inhibit himself from the voting because as a movie producer, he would benefit from the reduction in the amusement tax.

**APPROVAL OF SENATE BILL NO. 2213
ON THIRD READING**

Upon motion of Senator Pangilinan, there being no objection, the Body considered, on Third Reading, Senate Bill No. 2213, printed copies of which were distributed to the senators on June 5, 2008.

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

AN ACT DECLARING A NATIONAL POLICY FOR TOURISM AS AN ENGINE OF INVESTMENT, EMPLOYMENT, GROWTH AND NATIONAL DEVELOPMENT, REORGANIZING THE DEPARTMENT OF TOURISM AND ITS ATTACHED AGENCIES TO EFFECTIVELY AND EFFICIENTLY IMPLEMENT THAT POLICY, PROVIDING NECESSARY INCENTIVES FOR INVESTMENT AND APPROPRIATING FUNDS THEREFOR.

Secretary Reyes called the roll for nominal voting.

RESULT OF THE VOTING

The result of the voting was as follows:

In favor

Angara	Honasan
Aquino	Lapid
Cayetano (A)	Legarda
Cayetano (P)	Pangilinan
Defensor Santiago	Pimentel
Ejercito Estrada	Revilla
Enrile	Roxas
Escudero	Villar
Gordon	Zubiri

Against

None

Abstention

None

With 18 senators voting in favor, none against, and no abstention, the Chair declared Senate Bill No. 2213 approved on Third Reading.

**ACKNOWLEDGMENT
OF THE PRESENCE OF GUEST**

At this juncture, Senator Pangilinan acknowledged the presence of former Senator Victor Ziga.

Senate President Villar welcomed Senator Ziga to the Senate.

**COMMITTEE REPORT NO. 51
ON SENATE BILL NO. 2264**

(Continuation)

Upon motion of Senator Pangilinan, there being no objection, the Body resumed consideration, on Second Reading, of Senate Bill No. 2264 (Committee Report No. 51), entitled

AN ACT AMENDING THE COOPERATIVE CODE OF THE PHILIPPINES TO BE KNOWN AS THE PHILIPPINE COOPERATIVE CODE OF 2008.

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Senator Pangilinan stated that the parliamentary status was still the period of committee amendments and that as agreed upon, the Members are allowed to raise clarificatory questions.

Thereupon, the Chair recognized Senator Zubiri, Sponsor of the measure, and Senator Defensor Santiago for her inquiries.

INQUIRIES OF SENATOR DEFENSOR SANTIAGO

Preliminarily, Senator Defensor Santiago stated that cooperatives have a long history marked by many false starts, detours and lost opportunities. She expressed hope that the bill would represent the lessons learned from the much-ballyhooed *samahang nayon* and area marketing cooperatives that were intended to economically empower farmers in the 1970s but became miserable failures. Further, she hoped that the measure would take into consideration the factors that led to the success of cooperatives and the elements that led to their failure.

She noted that Article 4 (*Cooperative Principles*), subparagraph (4) of the bill speaks of the need for cooperatives to be autonomous economic organizations but at the same time calls upon government to extend support and preferential treatment to them. Saying that the strong embrace of government could mean the "kiss of death," she suggested that the bill reflect the proper policy balance between autonomy, on one hand, and government support and preferential treatment, on the other hand.

Moreover, she observed that the bill envisions a self-reliant cooperative sector but, in many instances, cooperatives were primarily organized as conduits to receive government assistance, grants or loans. She pointed out that once a cooperative was organized, it entered into a relationship of dependency with the government.

Senator Defensor Santiago also pointed out that the Committee left Articles 60 and 61 or the tax provisions of the Cooperative Code untouched but it expanded the preferential right provision which she feared might further cultivate a culture of dependency on government. She stated that a key precept of cooperatives is that people come together not out of a desire to earn money but to fulfill a collective need which she believed should be translated into policy.

Adverting to lines 9 to 13 of page 6 that require cooperatives to undertake at least one major socio-civic undertaking, Senator Defensor Santiago asked why cooperatives are being asked to undergo bureaucratic requirements that might detract from their economic objectives and constitute unnecessary costs. She argued that precisely, cooperatives are not a substitute for government in development work and they do, in fact, provide what the government cannot. Asked whether lines 9 to 13 of page 2 could be deleted considering that cooperatives already sufficiently contribute to the community, Senator Zubiri replied in the affirmative.

As regards lines 26 and 27 of page 2 that grant cooperatives the power to form subsidiaries, Senator Defensor Santiago asked what kind of set-up is being visualized for the subsidiary. Senator Zubiri replied that the subsidiary shall also be a cooperative just like the COOP-NATCO which is a large cooperative with several subsidiary cooperatives. He agreed to the suggestion to clarify the provision to obviate any confusion.

Proceeding to lines 11 to 19 of page 8, Senator Defensor Santiago argued that the cooperative's paid-up share capital of P2,000 should not be increased to P30,000 considering that cooperatives are organized by basic sectors like workers, peasants and fisherfolk. She observed that many cooperatives started small and, through strong member-loyalty and focused leadership, grew into multi-million peso organizations. She feared that increasing the paid-up share capital to P30,000 might be a disincentive to organizing the poorer sectors of society for whom the cooperative is the best vehicle of uplifting their lives and leveraging their meager resources. In reaction, Senator Zubiri stated that the basic capital could be pegged at P15,000 with the 15 members contributing P1,000 each. Senator Defensor Santiago agreed to the suggestion.

As regards Article 23 (*Types and Categories of Cooperatives*), Senator Zubiri agreed to the suggestion to include a workers cooperative in the enumeration. However, Senator Defensor Santiago admitted that she was wary about workers cooperatives because through their CDA-registration some might end up becoming labor-contracting agencies with tax exemptions since their large associate non-voting membership can avail of services for job referral and job placement.

Asked whether an amendment could be inserted in the bill to ensure that the workers cooperative is genuine and not a labor-contracting agency disguised as a cooperative, Senator Zubiri drew attention to the safeguard in the proviso of Article 26 on page 12 that "An associate member who meets the minimum requirement of regular membership continues to patronize the cooperative for one year and intends to be a member shall be considered as one."

Adverting to Article 62 on page 24, Senator Defensor Santiago observed that subparagraphs (5), (7) and (9) thereof which give the right of first refusal in the allocation by the government of fertilizers, seeds, agricultural inputs and implements in rice distribution; in the management of public markets; and in the management of public terminals, respectively, raise certain concerns. She believed that to operate a public market and a public terminal, the cooperative should have sufficient experience and expertise and the proposed Act should provide so. Senator Zubiri acknowledged that with regard to the procurement law, certain problems could arise because the right of first refusal would give the cooperative an unfair advantage over the other bidders for which reason the Committee would propose the retention of the words "preferential right" at the proper time.

Asked whether an amendment could be inserted in the bill to ensure that cooperatives would not be used as mere dummies by putative joint venture partners of cooperatives to take advantage of preferential right to acquire management over public markets and public terminals and to purchase goods, Senator Zubiri stated that cooperatives cannot go into partnerships with other entities for that purpose because following the proviso on line 30 of page 24, "only the cooperative must utilize these rights." He agreed to the suggestion to specifically state in Article 62 that "putative joint venture partners of the cooperative shall not be allowed to avail of these preferential rights."

Proceeding to another point, Senator Defensor Santiago noted that the principle of continuing cooperative education is one of the characteristics that distinguish a cooperative from a corporation; it ensures that management, the board and the members are constantly engaged in training and seminars on how to ensure the cooperative's viability and the member's loyalty. In view thereof, she asked

why the other half of the education fund as provided for in Article 82(2)(a) shall be remitted to a higher level non-business cooperative union or federation when the majority of the primary cooperatives are not members of federations or unions. Further, she asked why the primary cooperatives should not be given the sole prerogative to distribute and allocate the education fund for, after all, they know best how to ensure the education and training of their members as well as what subject areas to prioritize. In response, Senator Zubiri explained that the provision is in line with the international principles in cooperatives and seeks to encourage cooperatives to join unions and federations. He added that joining unions or federations, as well as paying certain amounts to them, is voluntary. For her part, Senator Defensor Santiago stated that the voluntary aspect should be clarified in the bill.

Asked whether there would be sanctions imposed on a primary cooperative that utilizes its entire education fund or fails to make the remittance, Senator Zubiri clarified that there are no sanctions.

On a related matter, Senator Defensor Santiago pointed out that under Section 60 of the EPIRA, P18 billion in rural missionary loans to cooperatives were condoned and must be repaid by the cooperative if it transfers ownership within five years from June 26, 2001, but the prescriptive period has lapsed. Relative to Article 119 (*Registration with the Authority*) on page 45, she asked whether the registration of the electric cooperative with the CDA translates to actual transfer of ownership that would trigger the requirement to refund to government the condoned loans under the EPIRA. Senator Zubiri replied that it would not because the cooperative will continue to be owned by the same members and consumers.

Asked what would happen to cooperatives that have not registered with the CDA after the two-year period, Senator Zubiri stated that they will remain with the NEA, registration being optional on their part. However, he clarified that electric cooperatives that fail to register with the CDA must drop the word "cooperative" from their names.

Once electric cooperatives are registered with the CDA, Senator Defensor Santiago inquired whether the condoned P18-billion loans under the EPIRA would be converted into an equity or capital shares of the cooperatives and distributed to their member-consumers. Senator Zubiri welcomed the proposal,

adding that the condonation would give the cooperatives a free hand to manage their own affairs.

Still on the same issue, Senator Defensor Santiago expressed concern that the debt-free assets of electric cooperatives could entice a takeover by powerful industries and individuals, which, in effect, would defeat the original purpose of the law. She asserted this scenario is possible given that many electric cooperatives are under the sway of managers or government agencies that might try to convince the consumers that it might be better to convert the cooperative into a corporation and sell it for a proverbial song. Thereupon, she proposed to place in the bill a prohibition on the sale of electric cooperatives to a few families, a few oligarchs or even a multinational company. Senator Zubiri gave assurance that the Committee would consider the proposal at the proper time.

On a related point, Senator Defensor Santiago observed that under the bill, electric cooperatives are given a two-year period within which to register with the CDA but there is no sanction on them for failing to do so. She noted that the intent of Section 60 of EPIRA is to lower rates, and Section 57 of the bill ensures genuine and full consumer ownership of the electric cooperatives by allowing them to register as a corporation with the SEC or as a cooperative with the CDA. By availing of the latter option, she noted that electric cooperatives shall be exempted from local government taxes and that would bring down power rates; and in theory, management is given greater flexibility but would have greater accountability. She proposed the mandatory registration of all electric cooperatives with the CDA to ensure lower rates and democratic ownership. In reaction, Senator Zubiri said that some electric cooperatives are very resistant to the idea of mandatory registration with the CDA and, in fact, requested that it be made optional. He disclosed that to make it more attractive to the electric cooperatives to register with the CDA, the Committee offered tax privileges.

Noting that certain electric cooperatives are seeking to register with the CDA with the hope that cases or charges against their managers before the National Electrification Authority (NEA) would be diluted, Senator Defensor Santiago asked what would happen to these cases. Senator Zubiri clarified that the cases would be pursued.

Asked why only 17 electric cooperatives had registered with the CDA since the Code took effect 18 years ago, Senator Zubiri bared that there are

certain quarters within the NEA that have discouraged electric cooperatives to register with the CDA — some employees, for instance, are apprehensive that like DAR employees, they would also lose their jobs; and there are also threats to withdraw the cooperatives' missionary funds. He welcomed the proposal to insert provisions in the Code to encourage cooperatives to register with the CDA, and further suggested that representatives from NEA be invited to one of the committee hearings to shed light on the cause of delay in the registration of electric cooperatives with the CDA. He said that for those who opt not to register, the word "cooperative" in their business names would be removed and they would lose all their tax privileges.

Senator Defensor Santiago reiterated that under the bill, the failure of electric cooperatives to register with CDA would no longer entitle them to be called "cooperatives" as had been done in the last 30 years.


Asked whether the existing collective bargaining agreements of electric cooperatives registered with NEA would be recognized once they register with the CDA, Senator Zubiri replied in affirmative.

In light of the Supreme Court's ruling in *Cooperative Rural Bank v. Ferrer Calleja* that "unions organized by coop members who are employees cannot be established because they are not just members, they are also owners and owners cannot bargain with themselves," Senator Defensor Santiago inquired if unions in electric cooperatives could be organized in CDA-registered cooperatives. Senator Zubiri stated that employees would have to choose because as employees, they cannot be members-owners.

Relative to Article 123, Senator Defensor Santiago asked what formula would be followed in the distribution of shares in electric cooperatives. She noted that as stated in the bill, guidelines shall be written by the CDA, but there is no provision describing the parameters — whether it will be based on the number of years of membership in the cooperatives, or on the proportion of their patronage, or whether shares would be distributed equally among the members.

SUSPENSION OF SESSION

Upon motion of Senator Zubiri, the session was suspended

It was 4:06 p.m. 



RESUMPTION OF SESSION

At 4:07 p.m., the session was resumed.

Upon resumption, Senator Zubiri stated that according to the information given by the CDA representatives, the basis of computation is the length of membership and actual usage or the combination of both, subject to the approval of the members through a general assembly. He agreed to the proposal to insert in the bill an amendment to ensure the proper delegation of legislative power.

**MANIFESTATION
OF SENATOR DEFENSOR SANTIAGO**

Senator Defensor Santiago manifested her reservation to participate in the discussion of the remaining items in the agenda at the resumption of the Second Regular Session.

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

SUSPENSION OF SESSION

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

It was 4:09 p.m.

RESUMPTION OF SESSION

At 4:12 p.m., the session was resumed.

INQUIRIES OF SENATOR ENRILE

Asked by Senator Enrile why the Committee settled on 15 as the minimum membership in a cooperative, Senator Zubiri replied that it is the number needed to manage the board and the committees.

Upon further query, Senator Zubiri confirmed that if all the members contributed equally to the cooperative, they would equally share the benefits and losses to be accrued by the cooperative.

Senator Enrile queried how the benefits and losses would be distributed to the members if they contributed different amounts.

SUSPENSION OF SESSION

Upon motion of Senator Zubiri, the session was suspended.

It was 4:15 p.m.

RESUMPTION OF SESSION

At 4:18 p.m., the session was resumed.

Senator Zubiri explained that the dividend or the profit of a cooperative is called "net surplus" and when a cooperative makes P1 million, for example, 30% goes to the statutory reserve which is returned to the cooperative, and 35% goes to patronage refund. He added that there is a 10% maximum cap on ownership.

Asked how a P17,000 annual profit would be distributed among the members if one of them contributed P100,000 and the rest P5,000, out of the P170,000 capital. Senator Zubiri stated that the sharing is based on capital investment.

Upon further queries, Senator Zubiri explained that the voting policy is that one member is entitled to one vote regardless of his contribution; a cooperative can have a minimum of 15 up to a maximum of 100 members; and the affluent member who contributed 10% of the total cooperative fund can be overridden by the majority, each of whom contributed only 1%. He clarified that in the sharing of the profit, the member who contributed 10% would not necessarily get 10% of the net surplus because part of it would go to the statutory reserve that remains with the cooperative to fund its development goals. He maintained that giving the entire net surplus to the members would paralyze the operation of the cooperative.

Senator Enrile asked why the Body is compelling by law the cooperative to put up a statutory reserve and not in accordance with the democratic right of the members. Senator Zubiri clarified that these are the provisions in the original Cooperative Code.

Asked if the heir of a member who contributed 10% of the capital of a multi-billion cooperative would be deprived of his share of the net surplus, Senator Zubiri indicated that there is a proposed amendment to the Cooperative Code which transfers ownership of shares to the heirs of a deceased

member. He explained that in case the heir no longer wants to be a member, he can still get his share of the net book value which is 10% of the net surplus.

As to the determination of the net book value, Senator Zubiri said that it is the par value and the cooperative issues certificates of participation. Asked why only the par value which represents the original contribution when there are valuations of the assets as time progresses, Senator Zubiri explained that the cooperative distributes the net surplus annually, so the member gets his share of income. He added that it is not accumulated and unlike investment, it does not grow. He confirmed that the cooperative distributes what is left after setting aside the statutory reserve.

Considering that each member is allowed only one vote, Senator Enrile asked whether the amount of reserve could be changed based on rule of the majority. He said that since democracy in a cooperative is based on numbers, it is the decision of the majority that matters and, as such, a member who contributed 10% of the capital would have a bigger loss should the other members who only contributed 1% each override his decision. Senator Zubiri admitted that this is the risk taken by investors in cooperatives.

Senator Enrile wondered whether the members would be allowed to share in the earnings of the cooperative and vote according to their capital infusion.

SUSPENSION OF SESSION

Upon motion of Senator Zubiri, the session was suspended.

It was 4:32 p.m.

RESUMPTION OF SESSION

At 4:35 p.m., the session was resumed.

Senator Zubiri believed that setting a 10% cap on capital infusion would discourage capitalists and rich people from entering into cooperatives for business ventures. He said that unless the general assembly decides to increase or lower the percentage for statutory reserves, 30% of the earnings of the cooperative would be set aside for that purpose. On the other hand, he said that 35% of the earnings

would be allocated as a patronage refund which is more beneficial to members who patronize more services of the cooperative.

Upon further query, Senator Zubiri pointed out that the remaining 35% of the earnings would be considered interest on share capital subject to a rateable sharing scheme, so that a member who contributes 10% of the capital would only get 10% of the amount available for dividend distribution.

Asked how the capital reserves of the cooperative would be shared if the organization is dissolved, Senator Zubiri said that after dissolution, the fund is not shared among members but is given to communities where the cooperative operates. He explained that under the Cooperative Code, the fund reserve is not considered a capital but retained earnings.

On whether a cooperative is considered not only as an association but also as a person, Senator Zubiri replied that the law treats a cooperative as a juridical person which can sue and be sued as well as own property contracted through its officers, and whose members are considered as residual owners of the same.

Asked why the reserve fund cannot be considered the property of the residual owners, Senator Zubiri adverted to Article 87 (*Order of Distribution*) (b), (c), and (i) of the Cooperative Code which states that the reserve fund shall not be utilized for investment other than those allowed in the Code while the sum of the reserve fund in excess of the share capital may be used any time for any project that would expand the operations of the cooperative upon the resolution of the general assembly. He added that upon the dissolution of the cooperative, the reserve fund shall not be distributed among the members but the general assembly may resolve to establish a usufructuary trust fund for the benefit of any federation or union to which the cooperative is affiliated.

SUSPENSION OF SESSION

Upon motion of Senator Zubiri, the session was suspended.

It was 4:41 p.m.

RESUMPTION OF SESSION

At 4:42 p.m., the session was resumed. *AS*

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Senator Zubiri clarified that there has been no actual dissolution of a cooperative that had assets.

Upon further queries, Senator Zubiri affirmed that the fact that one could put up a cooperative bank, insurance company, *sari-sari* store or even a transport company and electric distribution company shows that cooperativism applies to all facets of life.

Asked whether cooperatives have a terminal date and if this could be extended, Senator Zubiri replied that a cooperative could operate for 50 years and its existence could be extended indefinitely so long as it complies with all the requirements submitted to the CDA.

As regards the mechanics for withdrawing membership from a cooperative, Senator Zubiri said that Article 30 (*Termination of Membership*) provides that a member must first give a 60-day notice of his intention to the board of directors. He added that subject to the by-laws of the cooperative, the withdrawing member shall be entitled to a refund of his share capital contribution and all other interests in the cooperative.

At this juncture, Senator Roxas asked if the book of accounts of a cooperative is the same as those of regular corporations and also follows industry practice or whether the CDA has a different chart of accounts or definitions of ownership and liability. Senator Zubiri replied that cooperatives adopt international accounting standards except for the equity portion which represents ownership of the members, albeit in this case, a member owns a share not to exceed 10% of the capital. He said that retained earnings are called net surplus.

On whether the cooperative would be under the jurisdiction of the appropriate regulatory agencies, Senator Zubiri replied in the affirmative, pointing out that if it is a coop bank, for instance, it is governed by the *Bangko Sentral ng Pilipinas*. He gave assurance that the CDA would not impose regulations that are contrary to those being implemented by the principal regulatory agencies.

Asked by Senator Enrile to clarify the phrase "contribute equitably" on line 20 of page 2, Senator Zubiri stated that "equitably" means "in equal amounts," so if the minimum capital requirement is P15,000, the 15 members must contribute P1,000

each but individually a member could invest more as long as it does not exceed the 10% cap.

If capital is not material to decision-making in the organization, Senator Enrile asked whether there is an exit strategy in case a member decides to get out because he disagreed with the others over the type of venture the cooperative wanted to get into. In reply, Senator Zubiri explained that a member could terminate his membership, in which case he would be given back the share of capital he infused plus the share of accumulated net surplus that is due to him.

As to the meaning of the word "indivisible" as used on line 26 of page 2, Senator Zubiri stated that the exact wording, taken from the International Cooperative Alliance (ICA), means that a portion of the capital would be retained as reserve funds.

Senator Enrile noted that a reading of the first sentence of Section 4(3) on lines 19 to 21 of page 2 indicates that the members of the cooperative contribute equitably to the capital, and the same members democratically control that capital. Senator Zubiri explained that the amount of capital that is placed in the cooperative is equally distributed among the members and that the phrase "democratic control" means each member has one vote.

Since control is not based on capital but on membership with one member having one vote, Senator Enrile inquired whether a member with more capital contribution would get more than the others if the venture is successful. Senator Zubiri replied in the affirmative, as he further affirmed that in decision-making, said member cannot control the risk of his investment.

Asked to cite the biggest cooperative in the country, Senator Zubiri replied that the Philippine Army Finance Center Producers Integrated Cooperative (PAFCPIC) is the biggest, with a total asset of P3.6 billion as of December 2006; 62,000 members and 18 branches nationwide; and with liabilities of P2.9 billion of which P1.3 billion is deposit liabilities.

Still on Section 4(3), asked how much of the capital is considered common property of the cooperative, Senator Zubiri stated that it is the statutory reserves.

SUSPENSION OF SESSION

Upon motion of Senator Zubiri, the session was suspended.

It was 5:05 p.m.

RESUMPTION OF SESSION

At 5:15 p.m., the session was resumed.

Senator Enrile expressed hope that the provisions discussed earlier would be reworded for clarity. Senator Zubiri replied that at the proper time, the Committee would introduce the necessary amendments to address Senator Enrile's concerns.

COMMITTEE AMENDMENT

On page 1, lines 5 and 6, as proposed by Senator Zubiri, there being no objection, the Body approved the deletion of the phrase "PHILIPPINE COOPERATIVE CODE OF 2008" and the retention of the original title THE COOPERATIVE CODE OF THE PHILIPPINES.

PROPOSED COMMITTEE AMENDMENT

Senator Zubiri proposed the deletion of the whole Article 4 (*Cooperative Principles*), starting from line 18 on page 1 up to line 18 on page 3.

Asked by Senator Aquino if the Committee has any replacement for Article 4, Senator Zubiri replied in the affirmative, citing the provision in Article 3, lines 15 and 16, which states "the undertaking in accordance with universally accepted cooperative principles." He said that the provisions in Article 4, which were written not by lawyers but by cooperative members in the International Cooperative Alliance (ICA), had raised a lot of concerns similar to those raised by Senator Enrile. He said that the Committee decided to delete the provision to avoid any legal problem in the future.

But Senator Aquino believed that there is no risk defining the cooperative principles as enumerated in Article 4 to avoid any confusion.

SUSPENSION OF SESSION

Upon motion of Senator Zubiri, the session was suspended.

It was 5:20 p.m.

RESUMPTION OF SESSION

At 5:21 p.m., the session was resumed.

Upon resumption, Senator Zubiri withdrew the proposed amendment.

COMMITTEE AMENDMENTS

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

1. On page 3, line 29, before the word "AUTHORITY," insert the words COOPERATIVE DEVELOPMENT;
2. At the instance of Senator Defensor Santiago, on page 6, delete subparagraph (2) on lines 9 to 13;
3. On page 7, lines 1 and 2, change the phrase "THE EDUCATION ACT" to REPUBLIC ACT NO. 9155;
4. On the same page, line 12, between the words "BY" and "INSTITUTION," insert the words INDIVIDUALS AND/OR, and on line 13, after the word "PROGRAMS," insert the word AND;
5. On page 6, line 26, between the words "FORM" and "SUBSIDIARIES," insert the word COOPERATIVE;

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

6. On page 8, lines 12 and 13, delete the phrase "AND AN ADVOCACY COOPERATIVE AS DESCRIBED UNDER ARTICLE 23";
7. As proposed by Senator Defensor Santiago, on the same page, lines 18 and 19, change the words and figure "THIRTY THOUSAND PESOS (P30,000.00)" to FIFTEEN THOUSAND PESOS (P15,000.00);
8. On page 9, line 6, change "Articles 31 and 32" to ARTICLE 30;
9. On page 10, line 3, change the word "Articles" to ARTICLE, and thereafter delete the word and figure "and 31";
10. On page 11, line 24, between the words "AS" and "MULTIPURPOSE," insert the article A;
11. On the same page, after line 31, insert a new subparagraph to read:

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(Q) WATER SERVICE COOPERATIVE – IS A COOPERATIVE SET UP TO PROVIDE AND DISTRIBUTE POTABLE WATER PRIMARILY TO ITS HOUSEHOLD MEMBERS.;

12. Reletter the succeeding subparagraphs accordingly.

Asked by Senator Pimentel whether the Committee intends to empower cooperatives to run water systems in their own localities, Senator Zubiri replied in the affirmative.

Senator Pimentel pointed out the need to clarify the real intent of the provision which he assumed is to empower communities to run water systems. Senator Zubiri agreed that the provision could be revisited.

13. On page 13, retain subparagraph (3) on lines 10 to 15;
14. On page 14, line 6, replace the phrase “NEXT OF KIN” with the words LEGAL HEIRS;
15. On page 15, lines 17 and 18, retain the words “of record” and delete the phrase “WHO ARE ENTITLED TO VOTE.”
16. On page 24, lines 13 and 14, and wherever found in the bill, delete the phrase “RIGHT OF FIRST REFUSAL” and retain the phrase “preferential right.”
17. At the instance of Senator Defensor Santiago, on the same page, line 30, delete the phrase “ONLY THE COOPERATIVES MUST UTILIZE THESE RIGHTS” and in lieu thereof, insert the following:
- THESE RIGHTS SHALL BE UTILIZED EXCLUSIVELY BY COOPERATIVES. *PROVIDED, FURTHER*, THAT NO COOPERATIVE WILL SO FORM A JOINT VENTURE PARTNERSHIP OR ANY OTHER SIMILAR ARRANGEMENT WITH A NONCOOPERATIVE ENTITY SHALL UTILIZE THESE RIGHTS.
18. On page 25, as subparagraph (10), before the word “cooperative,” insert the phrase NOTWITHSTANDING THE PROVISIONS OF R.A. 9184, THE GOVERNMENT PROCUREMENT REFORM ACT;
19. On page 29, change the word “ACCOUNTANCY” on line 16 to ACCOUNTANTS and the word “ACCOUNTING” on line 17 to ACCOUNTANCY;

20. At the instance of Senator Defensor Santiago, on page 31, line 8, after the word “half,” replace the word “shall” with MAY
21. On page 39, line 19, change the word “GENERAL” to LOCAL; on line 22, delete the phrase “IN METRO MANILA OR”; and after the word “PROVINCE,” insert the phrase OR IN A NEWSPAPER OF GENERAL CIRCULATION;
22. On the same page, line 28, between the words “FROM” and “PUBLICATION,” insert the phrase THE REQUIREMENTS OF; after the word “PUBLICATION,” delete the word “REQUIREMENT” and in lieu thereof, insert the phrase IN A NEWSPAPER OF GENERAL CIRCULATION;
23. On page 44, line 3, delete the phrase “AUTHORITY AND THE”;
24. On the same page, line 3, and wherever found in the bill, after the words “NATIONAL ELECTRIFICATION ADMINISTRATION,” insert the acronym (NEA);
25. On same page, line 27, after the word “OF,” change the word “THEN” to THE;
26. On page 45, after line 7, insert a new paragraph to read as follows:
- ELECTRIC COOPERATIVES WHO OPT NOT TO REGISTER WITH THE AUTHORITY SHALL BE GIVEN ONE (1) YEAR AFTER THE TWO (2) YEAR TRANSITION PERIOD TO REMOVE THE WORD “COOPERATIVE” FROM THEIR REGISTERED NAMES;
27. On the same page, line 24, delete the phrase “ART. 98 OF R.A. NO. 6938” and in lieu thereof, insert the phrase ART. 109 OF THIS CODE;
28. At the instance of Senator Defensor Santiago, on page 46, line 3, before the word “THE,” insert a new provision to read:
- THE CONDONED OUTSTANDING FINANCIAL OBLIGATIONS OF ELECTRIC COOPERATIVES TO NEA AND OTHER GOVERNMENT AGENCIES FOR THE PURPOSE OF RURAL ELECTRIFICATION PROGRAMS AS PROVIDED IN SECTION 60 OF REPUBLIC ACT NO. 9136, EPIRA, SHALL BE CONVERTED TO CAPITAL OF SUCH ELECTRIC COOPERATIVE PROVIDED THAT SUCH COOPERATIVES ARE REGISTERED WITH THE AUTHORITY.
- On line 4, after the word “UNDER,” insert the phrase THE SAID PROVISION; *AS*

and on line 5, delete the phrase "ART. 60 ON THE ELECTRIC POWER INDUSTRY REFORM ACT (RA 9136);

29. On the same page, line 13, change the word "CODONE" to CONDONED;
30. On page 49, line 16, renumber subparagraph "(4)" to (5) and renumber the succeeding subparagraphs accordingly;
31. On the same page, lines 18 and 19, delete the close parenthesis () after the words "Director" and "Information."
32. At the instance of Senator Pimentel, on page 11, line 32, reword subparagraph (q) as follows:

WATER SERVICE COOPERATIVE. – IS A COOPERATIVE SET UP TO OWN, OPERATE, AND MANAGE WATER SYSTEMS FOR THE PROVISION AND DISTRIBUTION OF POTABLE WATER FOR ITS MEMBERS AND OTHER HOUSEHOLDS.

TERMINATION OF THE PERIOD OF COMMITTEE AMENDMENTS

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

REQUEST OF SENATOR AQUINO

Given the extent of the committee amendments, Senator Aquino requested that the Members be furnished with a clean copy of the bill so that they can review the substantial changes thereto before the period of individual amendments.

Senator Zubiri acceded to the request but sought assurance from the Minority that the bill would be taken up when Congress convenes in July 2008 exactly where the Body left off, that is, the period of individual amendments.

Senator Aquino stated that he could only commit himself to the request of Senator Zubiri.

Senator Zubiri expressed his appreciation to the Body for allowing the bill to go as far as the committee amendments. He thanked Senator Pimentel, the author of the Cooperative Code, for

providing assistance in the crafting of the committee amendments.

Upon query of the Chair, Senator Pangilinan stated that the parliamentary status of the bill is the period of individual amendments. He informed the Body that a clean copy of the bill would be distributed to the Members to help them prepare for the individual amendments.

SUSPENSION OF CONSIDERATION OF SENATE BILL NO. 2264

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

COMMITTEE REPORT NO. 46 ON SENATE BILL NO. 2230 (Continuation)

Upon motion of Senator Pangilinan, there being no objection, the Body resumed consideration, on Second Reading, of Senate Bill No. 2230 (Committee Report 46), entitled

AN ACT FURTHER AMENDING THE PROVISIONS OF PRESIDENTIAL DECREE NO. 1866, AS AMENDED, ENTITLED "CODIFYING THE LAWS ON ILLEGAL/UNLAWFUL POSSESSION, MANUFACTURE, DEALING IN, ACQUISITION OR DISPOSITION OF FIREARMS, AMMUNITION OR EXPLOSIVES OR INSTRUMENTS USED IN THE MANUFACTURE OF FIREARMS, AMMUNITION OR EXPLOSIVES, AND IMPOSING STIFFER PENALTIES FOR CERTAIN VIOLATIONS THEREOF, AND FOR OTHER PURPOSES.

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

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

COMMITTEE AMENDMENTS

As proposed by Senator Honasan, there being no objection, the following committee amendments were approved by the Body, one after the other: *Ma*

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1. On page 1, on the penultimate line of the title of the bill, after the word "FOR," replace the word "OTHER" with RELEVANT;
2. On the same page, line 5, after the word "EXPLOSIVES," delete the phrase "OR INSTRUMENTS USED OR INTENDED TO BE USED THEREFOR.";
3. On the same page, line 10, after the word "OF," insert the phrase ITS EXISTENCE AND ITS EXPLOSIVE OR INCENDIARY CHARACTER;
4. On the same page, line 15, after the word "OTHER," delete the word "EXPLOSIVE(S)" and in lieu thereof, insert the phrase SIMILAR EXPLOSIVES AND INCENDIARY DEVICES;
5. On page 2, line 5, after the word "OF," insert the phrase THE EXISTENCE AND;
6. On the same page, line 10, after the word "OF," insert the phrase ITS EXISTENCE OR;
7. On page 5, line 8, after the word "LAWS," delete the phrase "WHICH RESULTS IN THE DEATH OF ANY PERSON OR PERSONS" and in lieu thereof, insert the phrase OR IS IN FURTHERANCE OF, INCIDENT TO, IN CONNECTION WITH, BY REASON OF, OR ON OCCASION OF ANY OF THE CRIMES DEFINED IN THE REVISED PENAL CODE OR SPECIAL LAWS;
8. On the same page, delete lines 11 to 18, and in lieu thereof, insert the following:

SEC. 7. FORMER CONVICTION OR ACQUITTAL; DOUBLE JEOPARDY. – SUBJECT TO THE PROVISIONS OF THE RULES OF COURT ON DOUBLE JEOPARDY, IF THE APPLICATION THEREOF IS MORE FAVORABLE TO THE ACCUSED, THE CONVICTION OR ACQUITTAL OF THE ACCUSED OR THE DISMISSAL OF THE CASE FOR VIOLATION OF THIS DECREE SHALL BE A BAR TO ANOTHER PROSECUTION FOR ANY OFFENSE. THE VIOLATION OF THIS DECREE WAS A NECESSARY MEANS FOR COMMITTING THE OFFENSE OR IN FURTHERANCE OF WHICH, INCIDENT TO WHICH, IN CONNECTION WITH WHICH, BY REASON OF WHICH, OR ON OCCASION OF WHICH, THE VIOLATION OF THIS DECREE WAS COMMITTED, AND VICE VERSA.;

9. On the same page, lines 29 and 30, after the word "WITH," delete the phrase "IMPRISONMENT OF NOT LESS THAN TWELVE (12) YEARS AND ONE (1) DAY TO TWENTY

(20) YEARS" and in lieu thereof, insert the words *RECLUSION TEMPORAL*;

10. On page 6, lines 1 to 3, after the word "WITH," delete the phrase "IMPRISONMENT OF NOT LESS THAN TWO (2) MONTHS AND ONE (1) DAY BUT NOT MORE THAN SIX (6) YEARS, and in lieu thereof, insert the words *PRISION CORRECCIONAL*;
11. On the same page, lines 23 to 25, after the word "WITH," delete the phrase "IMPRISONMENT OF NOT LESS THAN TWO (2) MONTHS AND ONE (1) DAY BUT NOT MORE THAN SIX (6) YEARS," and in lieu thereof, insert the words *PRISION CORRECCIONAL*.

At this juncture, Senator Honasan informed the Body that Senator Lacson has submitted his proposed amendments and that he would give his response to them at the proper time.

SUSPENSION OF SESSION

Upon motion of Senator Pangilinan, the session was suspended.

It was 5:49 p.m.

RESUMPTION OF SESSION

At 5:51 p.m., the session was resumed.

Senator Honasan manifested that the Committee would furnish all the senators with a clean copy of Senator Lacson's proposed amendments and a copy of the Committee's response thereto.

The Chair took note of the manifestation.

TERMINATION OF THE PERIOD OF INDIVIDUAL AMENDMENTS

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

APPROVAL OF SENATE BILL NO. 2230 ON SECOND READING

Submitted to a vote, there being no objection, Senate Bill No. 2230 was approved on Second Reading without prejudice to a motion for reconsideration when Congress convenes in July 2008. *AC*

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**SUSPENSION OF CONSIDERATION
OF SENATE BILL NO. 2230**

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

**COMMITTEE REPORT NO. 43
ON SENATE BILL NO. 2150**

(Continuation)

Upon motion of Senator Pangilinan, there being no objection, the Body resumed consideration, on Second Reading, of Senate Bill No. 2150 (Committee Report No. 43), entitled

**AN ACT GRANTING THE RIGHT OF
REPLY AND PROVIDING PENAL-
TIES FOR VIOLATION THEREOF.**

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

The Chair recognized Senator Pimentel, Sponsor of the measure.

INDIVIDUAL AMENDMENTS

As proposed by Senator Pimentel, there being no objection, the Body approved the following individual amendments submitted to the committee, one after the other:

By Senator Defensor Santiago

1. On Section 2, page 1, line 8, before the words "The reply," insert the phrase SUBJECT TO EDITING FOR LIBELOUS STATEMENTS and a comma (,);

By Senators Defensor Santiago and Escudero

2. On page 1, modify Section 3 to read as follows:

SEC. 3. When Published. – The reply shall be published or broadcast not later than three (3) days after the reply shall have been delivered to the editorial office of A DAILY publication concerned or to the station that carried the broadcast being replied to. FOR PRINT PUBLICATIONS OR RADIO AND TELEVISION BROADCAST, OTHER THAN DAILY, THE RIGHT TO REPLY SHALL BE PUBLISHED OR AIRED IN THE

NEXT SUCCEEDING PRINT PUBLICA-
TION OR RADIO OR BROADCAST
CONCERNED.;

3. On page 2, modify Section 5 to read as follows:

SEC. 5. Free of Charge. – The publica-
tion or broadcast of the reply shall be
SUBJECT TO THE FOLLOWING RULE:
IN THE CASE OF PAID ADVERTISE-
MENT BEING REPLIED TO, UNLESS THE
PUBLICATION OR RADIO OR TELEVISION
AD CONCERNED IDENTIFIES THE PERSON
RESPONSIBLE FOR THE AD AND PLACES
THE EXACT POSTAL ADDRESS OF THE
PERSON RESPONSIBLE FOR THE AD, THE
PERSON REPLYING SHALL HAVE THE
RIGHT TO GET HIS REPLY PUBLISHED IN
THE PRINT MEDIUM OR AIRED OVER
RADIO OR TELEVISION CONCERNED
FOR FREE. OTHERWISE, THE PERSON
AVAILING OF HIS RIGHT TO REPLY
SHALL BEAR THE COST OF PUBLISHING
HIS REPLY IN THE PRINT MEDIUM
OR OVER THE RADIO/TELEVISION
CONCERNED.;

By Senator Defensor Santiago

4. On page 2, modify Section 6 to read:

SEC. 6. EDITING REPLY. – The reply
SUBMITTED shall be published or broadcast
except for libelous allegations. IN PUBLISH-
ING THE REPLY OR BROADCASTING IT,
THE GOOD FAITH ON THE PART OF
THE EDITOR OR PERSON RESPONSIBLE
FOR THE BROADCAST IS IMPLIED IN
THE PUBLICATION OR AIRING OF
THE REPLY.;

By Senator Pimentel

5. On Section 7, page 2, delete lines 13 to 17;

By Senator Escudero

6. On page 2, modify Section 8 to read:

SEC. 8. Self-Regulation. -- The block-
timers ON RADIO AND TELEVISION who
fail to broadcast or publish the reply AS
MANDATED HEREIN shall be subject to
the Code of Ethics OF THE BROADCAST
INDUSTRY OR TO THE self-regulation of
the network or station.,

7. On Section 9, page 2, line 22, between the word "concerned" and the period (.), insert the phrase UNDER EXISTING LAWS. *AC*

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**TERMINATION OF THE PERIOD
OF INDIVIDUAL AMENDMENTS**

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

**APPROVAL OF SENATE BILL NO. 2150
ON SECOND READING**

Submitted to a vote, there being no objection, Senate Bill No. 2150 was approved on Second Reading.

**SUSPENSION OF CONSIDERATION
OF SENATE BILL NO. 2150**

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

SUSPENSION OF SESSION

Upon motion of Senator Pangilinan, the session was suspended.

It was 6:00 p.m.

RESUMPTION OF SESSION

At 6:00 p.m., the session was resumed.

**COMMITTEE REPORT NO. 68
ON SENATE BILL NO. 2362
(Continuation)**

Upon motion of Senator Pangilinan, there being no objection, the Body resumed consideration, on Second Reading, of Senate Bill No. 2362 (Committee Report No. 68), entitled

AN ACT ESTABLISHING A SPECIAL HOSPITAL FOR OVERSEAS FILIPINO WORKERS (OFWS) AND THEIR DEPENDENTS, APPROPRIATING FUNDS THEREFOR AND FOR OTHER PURPOSES.

SUSPENSION OF SESSION

Upon motion of Senator Pangilinan, the session was suspended.

It was 6:02 p.m.

RESUMPTION OF SESSION

At 6:03 p.m., the session was resumed.

**SUSPENSION OF CONSIDERATION
OF SENATE BILL NO. 2362**

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

**COMMITTEE REPORT NO. 60
ON HOUSE BILL NO. 3224
(Continuation)**

Upon motion of Senator Pangilinan, there being no objection, the Body resumed consideration, on Second Reading, of House Bill No. 3224 (Committee Report No. 60), entitled

AN ACT PROVIDING FOR THE RE-APPORTIONMENT OF THE LONE LEGISLATIVE DISTRICT OF THE PROVINCE OF AGUSAN DEL SUR.

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

The Chair recognized Senator Aquino, Sponsor of the measure, and Senator Pimentel for his interpellation.

**INTERPELLATION
OF SENATOR PIMENTEL**

Stating that he has no basic objection to the bill, Senator Pimentel asked nonetheless whether the constitutional requirement on reapportionment after a general census has been complied with. Replying thereto, Senator Aquino said that while the last census was done in 2000, there was also an update in 2007 which showed that Agusan del Sur has a population of 609,447. He likewise affirmed that the 2007 update was a general census.

Senator Pimentel said that other bills of the same tenor should be discouraged unless the constitutional requirements have been complied with. However, he believed that there is no ground to oppose the approval of the measure given the assurance that the constitutional requirements have been duly observed. *AS*

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TERMINATION OF THE PERIOD OF INTERPELLATIONS

There being no further interpellation, upon motion of Senator Pangilinan, 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 Pangilinan, there being no objection, the Body closed the period of amendments.

APPROVAL OF HOUSE BILL NO. 3224 ON SECOND READING

Submitted to a vote, there being no objection, House Bill No. 3224 was approved on Second Reading.

SUSPENSION OF CONSIDERATION OF HOUSE BILL NO. 3224

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

SUSPENSION OF SESSION

Upon motion of Senator Pangilinan, the session was suspended.

It was 6:06 p.m.

RESUMPTION OF SESSION

At 6:13 p.m., the session was resumed.

SPECIAL ORDER

Upon motion of Senator Pangilinan, there being no objection, the Body approved the transfer of Committee Report No. 50 on Senate Bill No. 1836 from the Calendar for Ordinary Business to the Calendar for Special Orders.

COMMITTEE REPORT NO. 50 ON SENATE BILL NO. 1836

Upon motion of Senator Pangilinan, there being no objection, the Body considered, on Second Reading,

Senate Bill No. 1836 (Committee Report No. 50), entitled

AN ACT ADDRESSING THE SYSTEM OF PROSTITUTION, IMPOSING PENALTIES ON ITS PERPETRATORS, PROVIDING PROTECTIVE MEASURES AND SUPPORT SERVICES FOR ITS VICTIMS, AMENDING FOR THE PURPOSE ARTICLES 202 AND 341 OF THE PENAL CODE.

Pursuant to Section 67, Rule XXIII of the Rules of the Senate, with the permission of the Body, upon motion of Senator Pangilinan, 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 Escudero for the sponsorship.

SPONSORSHIP SPEECH OF SENATOR ESCUDERO

At the instance of Senator Escudero, there being no objection, the Explanatory Note to Senate Bill No. 1836 was adopted as sponsorship speech for the same.

CONSPONSORSHIP SPEECH OF SENATOR CAYETANO (P)

At the instance of Senator Escudero, there being no objection, the cosponsorship speech of Senator Cayetano (P) was deemed read into the Journal and Record of the Senate.

Following is the full text of the speech:

Article II, Section 11 of our Constitution says: "The State values the dignity of every human person and guarantees full respect for human rights."

The Convention on the Elimination of All Forms of Discrimination Against Women (CEDAW) urges our government as one of the State parties to "take appropriate measures to suppress the exploitation of the prostitution of women, including through the discouragement of the demand for prostitution."

I therefore rise to seek your support for the passage of Senate Bill No. 1836 – An act addressing the system of prostitution, imposing

penalties on its perpetrators, providing services for its victims, amending for the purpose Articles 202 and 341 of the Penal Code – introduced by Sen. Miriam Defensor Santiago.

The system of prostitution

Passing this bill is fulfilling our obligations: first to our fellow countrymen, as mandated by our Constitution, and second, to the international community, as mandated by CEDAW, to which we are a signatory. But it is not merely confined to that. For above all, passing this piece of legislation means saving the lives that have been ruined and the future lives that are to be ruined by this despicable system of deception, fraud and coercion – the system of prostitution.

The problem of prostitution in our country is indeed something that we must not ignore. It is alarming that despite existing legislations which declare its unlawfulness, the industry of prostitution continues to grow. A decade ago, the number of persons exploited in prostitution in the Philippines was estimated at 300,000 to 500,000. A greater portion of this disturbing number were women. In 2004, the number of women exploited in prostitution alone reached 600,000. This estimate has ballooned to 800,000 in 2005.

Women are the most vulnerable persons in this “flesh trade.” Then, there are the children. Yes, even our innocent children have been entangled in the web of prostitution. In the 1998 count, there were around 75,000 children exploited in prostitution. This is about one-fourth of the estimated number of persons exploited in prostitution. Annually, it is estimated that 3,266 children are forced into prostitution. At present, our country is fourth among the nations with the most children in prostitution as revealed in a study of UNICEF.

It is assumed that the number of persons exploited in prostitution continues to increase as the demand continues to rise. As Senator Defensor Santiago aptly puts it, “no women and children will be bought and sold, if there were no men seeking to buy sex acts.”

The growth of this lucrative business may be attributed to the deceitful strategies used by the operators of this system. Such strategies enable them to circumvent the law. For instance, most brothels nowadays are under the guise of massage parlors, KTV bars or “real” beauty salons. But whatever façade they take, they are, at the end of the day, one of the same – they have used and use other persons as instruments for sexual pleasure, exploitation, or gratification.

More importantly, behind these “big” operators of the system of prostitution are the thousand faces of the persons exploited in prostitution. They are the face of poverty.

Poverty is often cited as the primary reason why certain persons choose to engage in prostitution. And this has been very conspicuous in various forms of prostitution. One of these is the so called *Palit Bigas* prostitution which is common in rural areas. As its name implies, sexual service is given in exchange for a couple kilos of rice. And let me emphasize that even married women engage themselves in this form of prostitution to be able to feed their family.

Another is the *sex for wood and nails* wherein construction materials such as wood and nails serve as payment for sexual intercourse. The persons exploited in prostitution then sell these materials to earn some money and afford buying their necessities.

Truly, poverty forces some persons to seek any means to survive – even if it means prostituting themselves and endangering their lives. But even so, forced or unforced, we cannot deny the fact that this system uses, oppresses, and violates the rights of persons exploited in prostitution, particularly women and children.

Highlights of Senate Bill No. 1836

Senate Bill No. 1836 provides essential stipulations to address the root of the problem. This bill shifts the accountability of prostitution from the prostituted person to the exploiters. Also, the bill penalizes the components of the demand – the men who purchase sex acts.

Specifically, the measure proposes the following:

It emphasizes that persons exploited in prostitution may be a woman, a man, or a child. “Prostitution” is defined as any act involving the use of a person for sexual gratification, pleasure or exploitation, or any act that promotes the latter. Through this, all involved will be held accountable including the traffickers, pimps, brothel owners, organized crime members, and corrupt officials.

The bill also clearly identifies the penalties and sanctions for the persons who will perform the punishable acts, as laid out in Section 4 of this bill.

Higher penalties are imposed on those who commit child prostitution and attempts to commit child prostitution are likewise penalized. Both of

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these are to ensure that in any possible circumstances, children are completely protected from being dragged into the system of prostitution.

Next, and perhaps the most important stipulation in this bill, is the treatment of persons exploited in prostitution as *victims of the system* and not as criminals. They are victims of the system for it is their rights and dignity that are sacrificed and dishonored.

Other than that, the bill also provides for other mechanisms to ensure that the human rights of persons exploited in prostitution are upheld: First is the prohibition on detaining persons exploited in prostitution in case of raid; second is the prohibition on entrapment procedure that will necessitate the exploitation of the victims; third is the provision on protection of the identity and privacy of the persons exploited in prostitution.

The bill also makes sure that the victims, aside from being extracted out of the system, can go back and reinstate themselves into the society through certain rehabilitation programs.

Finally, the bill recognizes that to successfully combat prostitution, harmonization of anti-prostitution efforts of various governmental agencies is vital. And I laud this bill for mandating the Department of Tourism (DOT) "to undertake corrective and enforcement measures to stop activities in tourism constituting, promoting, or facilitating prostitution." For it has been argued that tourism increases the demand for prostitution and in turn increases the number of persons exploited in prostitution.

Conclusion

Perhaps today, the number of persons exploited in prostitution has already reached the million mark. Let us not wait for this number to grow even more. Let us not wait for the day when we outrank all the other nations with most number of children in prostitution. Let us not wait for the day when our country will be recognized as the "Haven of Prostitution."

Our women and children today and of the future need this legislation to ensure that in no way will women and children be commoditized. Let us uphold the dignity and the rights of all persons, men, women and children. Let us stop prostitution today, and it is for these reasons that I, once again, ask the support for the passage of Senate Bill No. 1836 under Committee Report No. 50.

SUSPENSION OF CONSIDERATION OF SENATE BILL NO. 1836

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

SPECIAL ORDER

Upon motion of Senator Pangilinan, there being no objection, the Body approved the transfer of Committee Report No. 54 on Senate Bill No. 1160 from the Calendar for Ordinary Business to the Calendar for Special Orders.

COMMITTEE REPORT NO. 54 ON SENATE BILL NO. 1160

Upon motion of Senator Pangilinan, there being no objection, the Body considered, on Second Reading, Senate Bill No. 1160 (Committee Report No. 54), entitled

AN ACT TO STRENGTHEN PHILIPPINE COMMITMENT TO HUMAN RIGHTS PROMOTION AND PROTECTION BY ESTABLISHING HUMAN RIGHTS RESOURCE CENTERS THROUGH- OUT THE COUNTRY 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 Pangilinan, 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 Escudero for the sponsorship.

SPONSORSHIP SPEECH OF SENATOR ESCUDERO

At the instance of Senator Escudero, there being no objection, the Explanatory Note to Senate Bill No. 1160, authored by Senator Pimentel, was adopted as the sponsorship speech for the same.

SUSPENSION OF CONSIDERATION OF SENATE BILL NO. 1160

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

SUSPENSION OF SESSION

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

It was 6:16 p.m.

RESUMPTION OF SESSION

At 6:16 p.m., the session was resumed.

**COMMITTEE REPORT NO. 47
ON SENATE BILL NO. 1976**

(Continuation)

Upon motion of Senator Pangilinan, there being no objection, the Body resumed consideration, on Second Reading, of Senate Bill No. 1976 (Committee Report No. 47), entitled

AN ACT CREATING FIVE (5) ADDITIONAL BRANCHES OF METROPOLITAN TRIAL COURTS IN THE NATIONAL CAPITAL REGION, AMENDING FOR THE PURPOSE BATAS PAMBANSA BLG. 129, AS AMENDED, OTHERWISE KNOWN AS THE JUDICIARY REORGANIZATION ACT OF 1980, APPROPRIATING FUNDS THEREFOR, AND FOR OTHER PURPOSES.

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

**TERMINATION OF THE PERIOD
OF INTERPELLATIONS**

At the request of Senate President Villar and after conferring with Senator Escudero, upon motion of Senator Pangilinan, there being no objection, the Body closed the period of interpellations and proceeded to the period of committee amendments.

COMMITTEE AMENDMENTS

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

1. On page 1, delete line 9, and in lieu thereof, insert the following: SEVEN (7) BRANCHES (BRANCHES LXXIX, AND BRANCHES LXXXIII TO LXXXVIII); and

2. Amend the title of the bill as follows:

AN ACT CREATING SIX ADDITIONAL BRANCHES OF METROPOLITAN TRIAL COURTS IN THE NATIONAL CAPITAL REGION, AMENDING FOR THE PURPOSE BATAS PAMBANSA BLG. 129 AS AMENDED, OTHERWISE KNOWN AS THE JUDICIARY REORGANIZATION ACT OF 1980, APPROPRIATING FUNDS THEREFOR, AND FOR OTHER PURPOSES.

**TERMINATION OF THE PERIOD
OF AMENDMENTS**

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

**APPROVAL OF SENATE BILL NO. 1976
ON SECOND READING**

At the instance of the Chair, upon motion of Senator Pangilinan, there being no objection, Senate Bill No. 1976 was approved on Second Reading, without prejudice to a motion for reconsideration when the Second Regular Session convenes in July 2008.

SUSPENSION OF SESSION

Upon motion of Senator Pangilinan, the session was suspended.

It was 6:19 p.m.

RESUMPTION OF SESSION

At 6:21 p.m., the session was resumed.

SPECIAL ORDER

Upon motion of Senator Pangilinan, there being no objection, the Body approved the transfer of Committee Report No. 62 on Senate Bill No. 2354 from the Calendar for Ordinary Business to the Calendar for Special Orders. *AP*

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**COMMITTEE REPORT NO. 62
ON SENATE BILL NO. 2354**

Upon motion of Senator Pangilinan, there being no objection, the Body considered, on Second Reading, Senate Bill No. 2354 (Committee Report No. 62), entitled

**AN ACT AMENDING ARTICLE 177
OF ACT NO. 3815, AS AMENDED,
OTHERWISE KNOWN AS THE
REVISED PENAL CODE.**

Pursuant to Section 67, Rule XXIII of the Rules of the Senate, with the permission of the Body, upon motion of Senator Pangilinan, 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 Escudero for the sponsorship.

**SPONSORSHIP SPEECH
OF SENATOR ESCUDERO**

At the instance of Senator Escudero, there being no objection, the Explanatory Note to Senate Bill No. 390 filed by Senator Ejercito Estrada was adopted as the sponsorship speech for the substitute bill, Senate Bill No. 2354.

**SUSPENSION OF CONSIDERATION
OF SENATE BILL NO. 2354**

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

SPECIAL ORDER

Upon motion of Senator Pangilinan, there being no objection, the Body approved the transfer of Committee Report No. 63 on Senate Bill No. 2355 from the Calendar for Ordinary Business to the Calendar for Special Orders.

**COMMITTEE REPORT NO. 63
ON SENATE BILL NO. 2355**

Upon motion of Senator Pangilinan, there being no objection, the Body considered, on Second Reading, Senate Bill No. 2355 (Committee Report No. 63), entitled

**AN ACT PROMOTING BARANGAY
JUSTICE BY AMENDING ARTICLE
ELEVEN HUNDRED FIFTY-FIVE
OF REPUBLIC ACT NUMBERED
THREE HUNDRED AND EIGHTY-
SIX, OTHERWISE KNOWN AS THE
CIVIL CODE OF THE PHILIPPINES.**

Pursuant to Section 67, Rule XXIII of the Rules of the Senate, with the permission of the Body, upon motion of Senator Pangilinan, 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 Escudero for the sponsorship.

**SPONSORSHIP SPEECH
OF SENATOR ESCUDERO**

At the instance of Senator Escudero, there being no objection, the Explanatory Note to Senate Bill No. 386 was adopted as the sponsorship speech for Senate Bill No. 2355.

**SUSPENSION OF CONSIDERATION
OF SENATE BILL NO. 2355**

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

SPECIAL ORDER

Upon motion of Senator Pangilinan, there being no objection, the Body approved the transfer of Committee Report No. 64 on Senate Bill No. 2356 from the Calendar for Ordinary Business to the Calendar for Special Orders.

**COMMITTEE REPORT NO. 64
ON SENATE BILL NO. 2356**

Upon motion of Senator Pangilinan, there being no objection, the Body considered, on Second Reading, Senate Bill No. 2356 (Committee Report No. 64), entitled

**AN ACT PENALIZING ANY MEMBER
OF LAW ENFORCEMENT AGENCIES
OR ANY OTHER GOVERNMENT
OFFICIAL OR EMPLOYEE WHO
FAILS OR REFUSES TO TESTIFY**

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**AS WITNESS IN ANY CRIMINAL
PROCEEDINGS.**

Pursuant to Section 67, Rule XXIII of the Rules of the Senate, with the permission of the Body, upon motion of Senator Pangilinan, 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 Escudero for the sponsorship.

**SPONSORSHIP SPEECH
OF SENATOR ESCUDERO**

At the instance of Senator Escudero, there being no objection, the Explanatory Notes to Senate Bill Nos. 1358 and 1555 were adopted as the sponsorship speech for Senate Bill No. 2356.

**SUSPENSION OF CONSIDERATION
OF SENATE BILL NO. 2356**

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

SPECIAL ORDER

Upon motion of Senator Pangilinan, there being no objection, the Body approved the transfer of Committee Report No. 65 on Senate Bill No. 2357 from the Calendar for Ordinary Business to the Calendar for Special Orders.

**COMMITTEE REPORT NO. 65
ON SENATE BILL NO. 2357**

Upon motion of Senator Pangilinan, there being no objection, the Body considered, on Second Reading, Senate Bill No. 2357 (Committee Report No. 65), entitled

**AN ACT PENALIZING PHOTO AND
VIDEO VOYEURISM.**

Pursuant to Section 67, Rule XXIII of the Rules of the Senate, with the permission of the Body, upon motion of Senator Pangilinan, 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 Escudero for the sponsorship.

**SPONSORSHIP SPEECH
OF SENATOR ESCUDERO**

At the instance of Senator Escudero, there being no objection, the Explanatory Note to Senate Bill No. 1100 was adopted as the sponsorship speech for Senate Bill No. 2357.

**SUSPENSION OF CONSIDERATION
OF SENATE BILL NO. 2357**

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

SUSPENSION OF SESSION

Upon motion of Senator Pangilinan, the session was suspended.

It was 6:25 p.m.

RESUMPTION OF SESSION

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

SPECIAL ORDERS

Upon motion of Senator Pangilinan, there being no objection, the Body approved the transfer of the following from the Calendar for Ordinary Business to the Calendar for Special Orders:

1. Committee Report No. 66 on Senate Bill No. 2360;
2. Committee Report No. 71 on Senate Bill No. 2390; and
3. Committee Report No. 72 on Senate Bill No. 2391.

**COMMITTEE REPORT NO. 66
ON SENATE BILL NO. 2360**

Upon motion of Senator Pangilinan, there being no objection, the Body considered, on Second Reading, Senate Bill No. 2360 (Committee Report No. 66), entitled

**AN ACT PROTECTING PRIVATE
PROPERTY RIGHTS BY REQUIRING
GOVERNMENT AGENCIES TO
PREPARE PRIVATE PROPERTY
TAKING IMPACT ANALYSIS.**

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Pursuant to Section 67, Rule XXIII of the Rules of the Senate, with the permission of the Body, upon motion of Senator Pangilinan, 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 Escudero for the sponsorship.

SPONSORSHIP SPEECH OF SENATOR ESCUDERO

At the instance of Senator Escudero, there being no objection, the Explanatory Note to Senate Bill No. 1846 was adopted as the sponsorship speech for the substitute bill, Senate Bill No. 2360.

SUSPENSION OF CONSIDERATION OF SENATE BILL NO. 2360

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

SUSPENSION OF SESSION

Upon motion of Senator Pangilinan, the session was suspended.

It was 6:27 p.m.

RESUMPTION OF SESSION

At 6:28 p.m., the session was resumed.

REQUEST OF SENATOR ESCUDERO

Regarding the bills he had just sponsored, Senator Escudero requested that the original bills filed by their respective authors be made as reference rather than the substitute bills.

ADDITIONAL 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. 2395, entitled

AN ACT TO REGULATE THE NUCLEAR,

SECURITY AND SAFETY ASPECTS
IN THE PEACEFUL UTILIZATION
OF IONIZING RADIATION SOURCES
THROUGH THE CREATION OF THE
PHILIPPINE NUCLEAR REGULA-
TORY AUTHORITY APPROPRIAT-
ING FUNDS THEREFOR AND FOR
OTHER PURPOSES

Introduced by Senator Antonio "Sonny" F.
Trillanes IV

**To the Committees on Science and
Technology; and Finance**

COMMUNICATION

Letter from Assistant Governor and General Counsel Juan De Zuñiga Jr. of the *Bangko Sentral ng Pilipinas*, dated 27 May 2008, furnishing the Senate with certified copies of BSP Memorandum No. M-2008-020, dated 14 May 2008, and BSP Circular No. 608, series of 2008, dated 20 May 2008, in compliance with Section 15(a) of Republic Act No. 7653 (The New Central Bank Act).

**To the Committee on Banks, Financial
Institutions and Currencies**

COMMITTEE REPORT

Committee Report No. 76, prepared and submitted by the Committee on Youth, Women and Family Relations, on Senate Bill No. 2396, with Senators Compañera Pia S. Cayetano, Angara, Lacson, Ramon "Bong" Revilla Jr., Gordon, Jinggoy Ejercito Estrada, Juan Miguel F. Zubiri, Manny Villar, Loren Legarda and Miriam Defensor Santiago as authors thereof, entitled

AN ACT PROVIDING FOR THE MAGNA
CARTA OF WOMEN,

recommending its approval in substitution of Senate Bill Nos. 1701, 1712, 1797, 1865, 1891, 1959, 2048, 2114 and 2240, taking into consideration Senate Bill Nos. 433, 549, 632, 647, 921, 1287, 1433, 1809 and 1967.

Sponsor: Senator M.A. Madrigal

To the Calendar for Ordinary Business

**SECOND ADDITIONAL
REFERENCE OF BUSINESS**

BILLS ON FIRST READING

Senate Bill No. 2397, entitled

AN ACT PROVIDING FOR THE MANDATORY USE OF PROCEEDS FROM THE DEVELOPMENT, LEASE OR USE OF GOVERNMENT PROPERTIES FOR THE VETERAN'S PENSIONS AND BENEFITS

Introduced by Senator MAR Roxas

To the Committees on National Defense and Security; and Finance

Senate Bill No. 2398, entitled

AN ACT INCREASING THE PENALTIES IMPOSED AGAINST FAILURE TO SECURE AN ENVIRONMENTAL CLEARANCE CERTIFICATE FOR UNDERTAKINGS IN ANCESTRAL DOMAINS AND OTHER CRITICAL AREAS OR FOR VIOLATIONS OF THE TERMS AND CONDITIONS THEREOF, THEREBY AMENDING PRESIDENTIAL DECREE 1586 AND FOR OTHER PURPOSES

Introduced by Senator MAR Roxas

To the Committees on Environment and Natural Resources; and Cultural Communities

Senate Bill No. 2399, entitled

AN ACT REQUIRING COMMERCIAL ESTABLISHMENTS AND PUBLIC INSTITUTIONS TO USE APPROPRIATE FILTERING DEVICES AND FIREWALLS THAT WILL RESTRICT CHILDREN'S ACCESS TO HARMFUL MATERIALS, DEFINING FOR THAT PURPOSE OFFENSES RELATED THERETO, PRESCRIBING PENALTIES THEREFOR AND FOR OTHER PURPOSES

Introduced by Senator MAR Roxas

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

Senate Bill No. 2400, entitled

AN ACT DEFINING THE PROHIBITED ACTS IN WATERSHED RESERVATIONS AND PROTECTED AREAS AND PROVIDING PENALTIES THEREFOR

Introduced by Senator MAR Roxas

To the Committees on Environment and Natural Resources; and Constitutional Amendments, Revision of Codes and Laws

Senate Bill No. 2401, entitled

AN ACT PROVIDING FOR AN EQUITABLE ACCESS TO OWNERSHIP OF RESIDENTIAL LANDS, ESTABLISHING FOR THAT PURPOSE AN ADMINISTRATIVE PROCESS FOR THE TITLING OF RESIDENTIAL LANDS THROUGH THE ISSUANCE OF A RESIDENTIAL PATENT, APPROPRIATING FUNDS THEREFOR AND FOR OTHER PURPOSES

Introduced by Senator MAR Roxas

To the Committees on Constitutional Amendments, Revision of Codes and Laws; Environment and Natural Resources; and Finance

Senate Bill No. 2402, entitled

AN ACT CREATING THE HEALTH AND EDUCATION ACCELERATION PROGRAM CORPORATION, PROVIDING FUNDS THEREFOR AND FOR OTHER PURPOSES

Introduced by Senator Gordon

To the Committees on Government Corporations and Public Enterprises; Education, Arts and Culture; and Finance

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RESOLUTIONS

Proposed Senate Resolution No. 448, entitled

RESOLUTION DIRECTING THE SENATE COMMITTEES ON WAYS AND MEANS; AND FINANCE TO CONDUCT AN INVESTIGATION, IN AID OF LEGISLATION, INTO THE REPORTED DISPARITY IN TRADED GOODS, AS REPORTED BY THE PHILIPPINE TRADE STATISTICS AND THE INTERNATIONAL MONETARY FUND, AS WELL AS REPORTS ON RAMPANT AND UNABATED SMUGGLING OF AGRICULTURAL PRODUCTS, DRUGS, STEEL PRODUCTS, CERAMIC TILES AND OTHER COMMODITIES IN THE COUNTRY, WITH THE END IN VIEW OF COMING UP WITH REMEDIAL MEASURES TO IMPROVE CUSTOMS ADMINISTRATION AND STRENGTHEN THE FISCAL POSITION OF THE GOVERNMENT BY ADDRESSING THESE REPORTED PROBLEMS

Introduced by Senator Enrile

To the Committees on Ways and Means; and Finance

Proposed Senate Resolution No. 449, entitled

RESOLUTION DIRECTING THE SENATE COMMITTEE ON AGRARIAN REFORM TO CONDUCT AN INQUIRY, IN AID OF LEGISLATION, ON THE UNPAID LANDOWNERS' COMPENSATION FOR LANDS THAT HAVE BEEN ACQUIRED AND DISTRIBUTED BY THE GOVERNMENT UNDER THE COMPREHENSIVE AGRARIAN REFORM PROGRAM (CARP), TO DETERMINE REMEDIAL MEASURES TO REFORM CARP IN LIGHT OF ITS IMMINENT EXPIRATION

Introduced by Senator Loren Legarda

To the Committees on Agrarian Reform; and Social Justice, Welfare and Rural Development

THIRD ADDITIONAL REFERENCE OF BUSINESS**BILLS ON FIRST READING**

Senate Bill No. 2403, entitled

AN ACT CREATING A NATIONAL BOOK DEVELOPMENT TRUST FUND TO SUPPORT FILIPINO AUTHORSHIP

Introduced by Senator Manny Villar

To the Committees on Education, Arts and Culture; and Ways and Means

Senate Bill No. 2404, entitled

AN ACT TO DEVELOP AND PROMOTE FILM TOURISM IN THE PHILIPPINES, PROVIDING FUNDS AND INCENTIVES THEREFOR AND FOR OTHER PURPOSES

Introduced by Senator Manny Villar

To the Committees on Public Information and Mass Media; Tourism; Ways and Means; and Finance

Senate Bill No. 2405, entitled

AN ACT FURTHER PROTECTING THE INTEGRITY OF ELECTRONIC TRANSACTIONS, DEFINING FOR THE PURPOSE THE CRIME OF INTERNET AND TELECOMMUNICATIONS PHISHING, PROVIDING PENALTIES THEREFOR AND FOR OTHER PURPOSES

Introduced by Senator Manny Villar

To the Committees on Science and Technology; and Justice and Human Rights

Senate Bill No. 2406, entitled

AN ACT CREATING THE PHILIPPINE ONION RESEARCH INSTITUTE, PRESCRIBING ITS POWERS, FUNCTIONS AND DUTIES AND PROVIDING FOR THE NECESSARY FUNDS FOR ITS OPERATION *ps*

Introduced by Senator Manny Villar

To the Committees on Agriculture and Food; Trade and Commerce; and Finance

Senate Bill No. 2407, entitled

AN ACT TO INCREASE THE PENALTY FOR THEFT OR ROBBERY COMMITTED WITHIN THE PREMISES OF CHURCHES, TEMPLES AND MUSEUMS

Introduced by Senator Manny Villar

To the Committees on Education, Arts and Culture; and Justice and Human Rights

MANIFESTATION OF SENATOR PIMENTEL

Senator Pimentel informed the Body of his intention to inhibit himself from the debates on Senate Bill No. 2403 (National Book Development Trust Fund to support Filipino authorship) because being an author himself, he might benefit from it.

SPECIAL ORDERS

Upon motion of Senator Pangilinan, there being no objection, the Body approved the transfer of the following from the Calendar for Ordinary Business to the Calendar for Special Orders:

1. Committee Report No. 73 on Senate Bill No. 2392;
2. Committee Report No. 74 on Senate Bill No. 2393;
3. Committee Report No. 75 on Senate Bill No. 2394); and
4. Committee Report No. 76 on Senate Bill No. 2396).

**COMMITTEE REPORT NO. 73
ON SENATE BILL NO. 2392**

Upon motion of Senator Pangilinan, there being no objection, the Body considered, on Second Reading, Senate Bill No. 2392 (Committee Report No. 73), entitled

AN ACT ESTABLISHING THE MOUNTAINS OF BANAHAW AND SAN

CRISTOBAL IN THE PROVINCES OF LAGUNA AND QUEZON AS A PROTECTED AREA, UNDER THE CATEGORY OF PROTECTED LANDSCAPE PROVIDING FOR ITS MANAGEMENT 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 Pangilinan, only the title of the bill was read without prejudice to the insertion of its full text into the Record of the Senate.

**SPONSORSHIP SPEECH
OF SENATOR CAYETANO (P)**

Upon motion of Senator Pangilinan, there being no objection, the sponsorship speech of Senator Cayetano (P) on Senate Bill No. 2392, which also covers Senate Bill Nos. 2393 and 2394, was deemed read into the Journal and Record of the Senate.

The following is the full text of the sponsorship speech of Senator Cayetano (P):

**MT. BANAHAW-SAN CRISTOBAL,
TUBBATAHA AND APO REEF**

Our country has been blessed with incomparable natural resources that are so biologically rich and diverse. Truly, if ecological wealth is the basis of power politics, we could have been a superpower. With our forests, watersheds, and bodies of water which house our exceptional flora and fauna, it is undisputable that the Philippines is indeed the "Pearl of the Pacific." Or perhaps, it is more appropriate to say that the Philippines was **once** the Pearl of the Pacific. Because today the luster of the pearl is slowly perishing as people continue to ruin the gift of nature with their rapacious attitude and behavior.

Sadly, our natural resources are at the mercy of destructive human intervention. As the case may be for Mts. Banahaw-San Cristobal – the "holy mountain" that did not escape the perils of human destruction. It seems that most people who visit the mountain, especially the huge number of devotees during Lenten Season, do not take special care to preserve the natural environment of the mountain. In fact, about 90 tons of garbage is collected from the mountains annually, contributing to the decline of the mountains' "glory." In March 2004, its interim Protective Area Management Board (PAMB)

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temporarily closed certain parts of the mountain from the public for the next five years. Since then, there have been evident signs of restoration of its flora and fauna. The *rafflesia*, one of the biggest flowers in the world, started to reappear in the mountain. Just March of this year, it was also reported that the dried falls namely, *Kristalino*, *Suplina* and *Salaming-Bubog*, are now filled with flowing water.

But, the Philippine story is not limited to tales of environmental destruction and degradation because with sad tales come hope. Among others are the majestic and world-renowned Tubbataha and Apo Reefs. As of today, the Tubbataha Reefs ranks number two in the race to be recognized as one of the new seven wonders of nature. Not far behind in its magnificence is the Apo Reef. The Apo Reef hosts the largest coral atoll-like reef in the Philippines, a sub-triangular coral atoll formation. Both of these reefs are considered as Key Bio-diversity Area (KBA) in the country. These are only two of our country's most prized natural gems.

With these tales of destruction and tales of hope, I therefore rise to seek your support for the passage of Senate Bill No. 2392 "An Act Declaring the Mountains of Banahaw and San Cristobal as a Protected Landscape" under Committee Report No. 73; Senate Bill No. 2394, "An Act Establishing Tubbataha Reefs Natural Park" under Committee Report No. 75; and Senate Bill No. 2393, "An Act Establishing the Apo Reef Natural Park" under Committee Report No. 74.

Mts. Banahaw-San Cristobal

This covers 10,900 hectares spanning the provinces of Laguna and Quezon. It was declared a protected area by Presidential Proclamation No. 411 in 2003. Its rich biodiversity that demands our protection includes 578 animal species, 28% of which are categorized as endemic, and 2% threatened with extinction, and 56 species of plants classified as endemic. The whole area is a critical watershed that drains into Laguna de Bay and Tayabas, supporting the Botocan Hydro-electric Power Plant in Majayjay and Luisiana, Laguna, and sustaining the water needs of at least one million people. It is considered sacred ground by various religious sects.

Tubbataha Reefs Natural Park

In August 2006, Presidential Proclamation No. 1126 declared its reef area of 96,828 hectares as protected sanctuary of diverse marine life. Located within Central Sulu Sea, Tubbataha is under the municipal jurisdiction of Cagayancillo,

Palawan. The reefs themselves are estimated to cover an area of 100 square kilometers, with the larger north reef measuring about 16 kilometers long and 4.5 kilometers wide, and the south reef measuring about five kilometers long and three kilometers wide. The Tubbataha Reefs is regarded as one of the richest ecosystems on the planet. Researchers have recorded 396 species of corals – 85% of all hard coral species in the entire country. This 1993 UNESCO World Heritage Site and top scuba diving destination is also a RAMSAR site under the Ramsar Convention on Wetlands which identified it as "extremely high" for marine biodiversity conservation.

Apo Reef Natural Park (ARNP)

Located in Sablayan, Occidental Mindoro, this bio-geographic zone spans a core area of 15,792 hectares and a buffer zone of 11,677 hectares. Aside from its reef, it also has a mangrove forest and lagoon that provide the habitat of the endangered Nicobar Pigeon and a beach that serves as nesting areas of the likewise endangered Green Sea Turtle and Hawksbill Turtle. ARNP is one of the ten priority sites under the Conservation of Priority Protected Area Project (CPPAP), a project funded under the World Bank. It is also an important area for the conservation of biological diversity being rated as "high" for conservation priority area for reefs fishes and corals based on the results of the National Biodiversity Conservation Priority Setting Project undertaken by Protected Areas and Wildlife Bureau, jointly with Conservation International and UP-CIDA.

Legislative Enactment

Each of these three bills contains standard provisions patterned after the National Protected Areas System of 1992 or NIPAS Act. However, the particular characteristics and peculiar level of protection needed to manage the three ecosystems are elucidated in each of these three bills. In particular, these bills provide the following elements necessary to achieve our utmost goal of biodiversity protection and preservation:

- a) declaration of land classification, scope and boundaries;
- b) creation of a Protected Area Management Board;
- c) establishment of a Protected Area Fund;
- d) identification of prohibited acts and their corresponding penalties

In sum, these three bills underscore the imperative need to protect our God-given

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heritage before it is too late. These three bills had gone through the hearing and technical working group process of the Committee on Environment and Natural Resources. There had also been extensive consultations with the Protected Areas and Wildlife Bureau of the DENR and other concerned groups during the 13th and 14th Congress.

Conclusion

Let us continue the job that Congress set forth with NIPAS in 1992 which is to protect the environment, conserve resources, and restore the habitat. By establishing additional urgent protected areas around the country, we conserve the uniqueness of a site's biological and physical features and foster partnership between government, nongovernment and people's organizations to preserve ecosystems in their natural state.

We cannot wait for Mts. Banahaw-San Cristobal to be vulnerable again to destruction as the PAMB's safeguard lapses in the coming year. Nor can we wait for Tubbataha Reefs and Apo Reef to remain at risk of environmental devastation. If we allow such, we do not only allow the tragic death of these precious gifts of nature but we also, as legislators, go against our sworn duty to look after the best interest of our people and go against, as stewards of nature, our primary responsibility to ensure the protection and conservation of nature for our future generation.

They need our legislative intervention. Let us not deprive Mts. Banahaw and San Cristobal the opportunity to regain its glory or the Tubbataha and Apo Reefs the opportunity to maintain their glory. It is crucial that we act now on these to ensure that our children and the succeeding generations will inherit a living earth with all of its bountiful natural resources and vibrant wildlife. Let us not deprive our future generation from waking up to these wonders or wait for the day that all we have are memories of the beauty that was.

Once again, I rise to seek your support for the passage of Senate Bill Nos. 2392 under Committee Report No. 73, 2394 under Committee Report No. 75, and 2393 under Committee Report No. 74. By voting to approve these three bills, we cast a vote for the future today.

SUSPENSION OF CONSIDERATION OF SENATE BILL NO. 2392

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

COMMITTEE REPORT NO. 74 ON SENATE BILL NO. 2393

Upon motion of Senator Pangilinan, there being no objection, the Body considered, on Second Reading, Senate Bill No. 2393 (Committee Report No. 74), entitled

AN ACT ESTABLISHING THE APO REEF IN SABLAYAN, OCCIDENTAL MINDORO AS A PROTECTED AREA UNDER THE CATEGORY OF NATURAL PARK AND ITS PERIPHERAL WATERS AS BUFFER ZONES, PROVIDING FOR ITS MANAGEMENT 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 Pangilinan, only the title of the bill was read without prejudice to the insertion of its full text into the Record of the Senate.

SPONSORSHIP SPEECH OF SENATOR CAYETANO (P)

Pursuant to the earlier motion of Senator Pangilinan, the sponsorship speech of Senator Cayetano (P) on Senate Bill No. 2392 also serves as the sponsorship speech for Senate Bill No. 2393.

SUSPENSION OF CONSIDERATION OF SENATE BILL NO. 2393

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

COMMITTEE REPORT NO. 75 ON SENATE BILL NO. 2394

Upon motion of Senator Pangilinan, there being no objection, the Body considered, on Second Reading, Senate Bill No. 2394 (Committee Report No. 75), entitled

AN ACT ESTABLISHING THE TUBBATAHA REEFS NATURAL PARK IN THE PROVINCE OF PALAWAN UNDER THE NIPAS ACT (RA 7586) AND THE SEP LAW (RA 7611), PROVIDING FOR ITS

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**MANAGEMENT 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 Pangilinan, only the title of the bill was read without prejudice to the insertion of its full text into the Record of the Senate.

**SPONSORSHIP SPEECH
OF SENATOR CAYETANO (P)**

Pursuant to the earlier motion of Senator Pangilinan, the sponsorship speech of Senator Cayetano (P) on Senate Bill No. 2392 also serves as the sponsorship speech for Senate Bill No. 2394.

**SUSPENSION OF CONSIDERATION
OF SENATE BILL NO. 2394**

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

SUSPENSION OF SESSION

Upon motion of Senator Pangilinan, the session was suspended.

It was 6:38 p.m.

RESUMPTION OF SESSION

At 6:39 p.m., the session was resumed.

**COMMITTEE REPORT NO. 71
ON SENATE BILL NO. 2390**

Upon motion of Senator Pangilinan, there being no objection, the Body considered, on Second Reading, Senate Bill No. 2390 (Committee Report No. 71), entitled

**AN ACT ESTABLISHING A UNIVERSAL
NEWBORN HEARING SCREENING
PROGRAM FOR THE PREVENTION,
EARLY DIAGNOSIS AND INTER-
VENTION OF HEARING LOSS
AMONG CHILDREN.**

Pursuant to Section 67, Rule XXIII of the Rules of the Senate, with the permission of the Body, upon motion of Senator Pangilinan, 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 Legarda, Sponsor of the measure.

MANIFESTATION OF SENATOR LEGARDA

Senator Legarda expressed appreciation to Senator Cayetano (P), chair of the Committee on Health and Demography, for creating a subcommittee to take charge of the measure.

**SPONSORSHIP SPEECH
OF SENATOR LEGARDA**

At the instance of Senator Legarda, there being no objection, her sponsorship speech was deemed read into the Journal and Record of the Senate.

The following is the full text of the sponsorship speech of Senator Legarda:

The elevation of health care into the top tier of the policy concerns of First World countries is instructive. It delivers the message, in strong and explicit terms, that countries that want to stay competitive, or countries that want to sharpen their competitive edge further, have to make health care a banner, a centerpiece issue.

There is a subtext to this great health care initiative of the developed countries. It says invest in the young; put in place the total infrastructure that will make them healthy, to make them productive and active citizens in the future, and to make sure the next generation of citizens are vibrant participants in the national or global arena.

The economic sense behind caring for the young is also very clear. When citizens are healthy, the budget for fighting disease outbreaks, treatment and rehabilitation can be diverted into more productive concerns such as education, food production and infrastructure modernization.

It is in this context that I call for the speedy passage of Senate Bill No. 2390, "An Act Establishing a Universal Newborn Hearing Screening Program for the Prevention, Early Diagnosis and Intervention of Hearing Loss Among Children." It is a frontier initiative for young Filipinos. It makes economic sense. It is also a moral imperative.

When undiagnosed before six months, children with significant congenital hearing loss

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develop speech and language delays, do poorly in school and may suffer psychosocially due to feeling of isolation and low-esteem. Thus, early diagnosis and intervention of congenital hearing loss is the goal of universal newborn hearing screening in order to prevent the morbidity caused by late detection and habilitation. This is the central message of the proposed measure.

The proposed measure seeks to put in place a hearing screening program for the newborns so that all the newborns diagnosed with hearing loss can be given appropriate and timely treatment.

To institutionalize this, hospitals are mandated to test newborn babies for hearing loss before they are discharged. It is the responsibility of the parents and the doctors attending to the newly born to make sure that hearing loss tests are performed.

For babies born outside of hospitals, the health practitioners who assisted in the delivery have the obligation to inform the parents or guardians that there is a law on mandatory hearing loss screening and shall likewise ensure that newborns are screened within three months of life.

The Department of Health (DOH) is then tasked by the proposed measure to be the lead agency in the implementation of the universal hearing loss screening.

To ensure the effective implementation of the proposed law and facilitate inter-agency coordination in the areas of enforcement, monitoring, data banking and training, the DOH is also required to work closely with the inter-agency Advisory Committee on Newborn Hearing Screening (ACNHS). The Philippine Medical Association, the Philippine Hospitals Association, the Philippine Pediatrics Society, various medical and health organizations and government agencies shall be represented in the ACNHS.

The proposed law seeks the establishment of Newborn Screening Centers, with the technical and medical standards formulated by the National Institutes of Health (NIH) and the DOH.

Health care, in the ideal world, should be universal, mandatory, encompassing. No sector or section of the population should be left behind. It should be a cradle-to-grave undertaking, starting with the newborn.

SUSPENSION OF CONSIDERATION OF SENATE BILL NO. 2390

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

SUSPENSION OF SESSION

Upon motion of Senator Pangilinan, the session was suspended.

It was 6:41 p.m.

RESUMPTION OF SESSION

At 6:41 p.m., the session was resumed.

Upon resumption, Senator Pangilinan recognized Senator Legarda for her manifestation.

COSPONSORSHIP SPEECHES OF SENATOR LEGARDA ON SENATE BILL NOS. 1160 AND 2362

At the instance of Senator Legarda, there being no objection, the Body approved the insertion of her cosponsorship speeches on Senate Bill No. 1160 (Committee Report No. 54), authored by Senator Pimentel, and Senate Bill No. 2362 (Committee Report No. 68), authored by Senator Ejercito Estrada, into the Journal and Record of the Senate.

Following is the full text of Senator Legarda's speech on Senate Bill No. 1160:

I would like to enlist my cosponsorship of the measure, Senate Bill No. 1160, otherwise known as the "Human Rights Resource Center Act."

As provided in the 1987 Constitution, it is a state policy to value the dignity of every human person and guarantee full respect for human rights. It is likewise intrinsic in a regime of democracy that the government be bound to protect these rights by ensuring the proper enforcement of laws and observance of international obligations regarding the same.

Sadly, although the basic rights are enshrined in our Constitution and explicitly stated in our laws as well as in international treaties that our government has entered into, they continue to be violated, either by commission or omission. This is most especially prone in the grass roots level.

This bill seeks to integrate the promotion and protection of human rights in the implementation of the criminal justice system, in the conduct of local governance in local law enforcement through the establishment of Human Rights Resource Centers.

These Centers shall be the repository of all human rights concerns at the provincial level. Its responsibilities include, but not limited to:

1. Setting up of a library of international covenants and treaties to which the Philippines is a signatory;
2. Provision of necessary resource persons, literary and educational materials to persons or group of persons who advocate and work for a continuing program of education that enhances respect for the primacy of human rights;
3. Coordination with barangay, municipal, city and provincial human rights officers, desks or committees, and with the Regional Office of the Commission on Human Rights on issues arising from violations of civil, political, economic, social and cultural rights of our people, particularly the women and children, for purposes of referring the same to proper government agencies for appropriate action and immediate resolution.
4. Taking an active part in efforts aimed at promoting peace and development in the area and serving as the convergence point for these efforts at the local level;
5. Recommending the enactment of necessary local legislation that will protect and promote human rights in the provinces; and
6. Participation in the development, planning and budgeting process of the local government unit concerned based on the principles of rights-based development wherein citizens actively participate in the crafting of the developmental plans.

This proposed legislation is a step towards reaching true democracy in this country. Through the said measure, respect for and protection of human rights shall be brought down and operationalized in the local communities.

The protection of human rights must go beyond rhetoric; we must materialize our goals of ensuring that our people enjoy the freedom and their rights in this country. It is in this sense that I fully support the immediate enactment of this bill and likewise urge my colleagues in this Chamber to do so, too.

Following is the full text of Senator Legarda's speech on Senate Bill No. 2362:

I am pleased to cosponsor Senate Bill No. 2362, otherwise known as the "Migrant

Workers Hospital Act of 2008" under Committee Report No. 68.

An estimated eight million Filipino migrant workers have been deployed all over the world, generating record-high remittances of \$14.45 billion, accounting for about 10% of the gross domestic product. According to the *Bangko Sentral ng Pilipinas*, these inflows sustained domestic demand and fueled GDP growth to 7.3% in 2007, the best growth in 31 years.

Recognizing the significant role of our overseas Filipino workers in keeping our economy afloat, the government must institute policies that will address their needs and afford them greater protection.

OFWs often find themselves vulnerable to abuse, discrimination and exploitation brought about by differing culture, working conditions and upper-hand nature of overseas employers. Based on statistics, about 42% of all repatriated OFWs returned to the Philippines needing medical attention or hospital confinement for various physical or mental illnesses sustained abroad.

Senate Bill No. 2362 seeks to address the health needs of OFWs through the creation of a hospital dedicated to them and their dependents.

The Migrant Workers Hospital will be supervised by the Overseas Workers Welfare Administration (OWWA). It will provide for a comprehensive health care services to all migrant workers who are OWWA contributors, including their dependents. It shall also complement the existing package of services under the Health Care Program so as to include preventive, promotive, diagnostic, curative and rehabilitative programs.

Policies must be put in place to ensure that OFWs, our modern-day heroes, are given the attention they deserve. The proposed Migrant Workers Hospital will ensure the availability, accessibility and affordability of quality health care to OFWs and their families.

In this light, I enjoin the Members of this Chamber to support the immediate passage of this measure.

SUSPENSION OF SESSION

Upon motion of Senator Pangilinan, the session was suspended.

It was 6:42 p.m.

RESUMPTION OF SESSION

At 6:43 p.m., the session was resumed.

PROPOSED SENATE RESOLUTION NO. 445

Upon motion of Senator Pangilinan, there being no objection, the Body considered Proposed Senate Resolution No. 445, entitled

RESOLUTION COMMENDING THE IGLESIA NI CRISTO, UNDER THE LEADERSHIP OF KA ERAÑO G. MANALO AND KA EDUARDO V. MANALO, ON THE OCCASION OF THEIR 94TH ANNIVERSARY.

With the permission of the Body, 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. 445

Upon motion of Senator Pangilinan, there being no objection, Proposed Senate Resolution No. 445 was adopted by the Body.

PROPOSED SENATE RESOLUTION NO. 446

Upon motion of Senator Pangilinan, there being no objection, the Body considered Proposed Senate Resolution No. 446, entitled

RESOLUTION COMMENDING MR. JOEY QUINTO FOR BEING THE RECIPIENT OF THE AWARD FOR EXCELLENCE IN JOURNALISM DURING THE FOURTH ANNUAL ASIAN PACIFIC ISLANDER HERITAGE AWARDS IN CELEBRATION OF THE ASIAN PACIFIC ISLANDER AMERICAN (APIA) HERITAGE MONTH.

With the permission of the Body, 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. 446

Upon motion of Senator Pangilinan, there being no objection, Proposed Senate Resolution No. 446 was adopted by the Body.

PROPOSED SENATE RESOLUTION NO. 447

Upon motion of Senator Pangilinan, there being no objection, the Body considered Proposed Senate Resolution No. 447, entitled

RESOLUTION EXPRESSING THE PROFOUND SYMPATHY AND CONDOLENCES OF THE SENATE ON THE DEATH OF RODOLFO "RUDY" P. FERNANDEZ, ONE OF THE PILLARS OF THE PHILIPPINE MOVIE INDUSTRY.

With the permission of the Body, 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. 447

Upon motion of Senator Pangilinan, there being no objection, Proposed Senate Resolution No. 447 was adopted by the Body.

SUSPENSION OF SESSION

Upon motion of Senator Pangilinan, the session was suspended.

It was 6:45 p.m.

RESUMPTION OF SESSION

At 6:45 p.m., the session was resumed.

MANIFESTATION OF SENATOR PIMENTEL

Senator Pimentel informed the Body that House Speaker Nograles has sought his assistance in calendaring for the afternoon's deliberation the resolution that was passed in the House, seeking the extension of the Comprehensive Agrarian Reform Law. However, he said that after conferring with Senator Honasan, chair of the Committee on Agrarian Reform, and Senator Pangilinan, he learned that some of the Members have expressed reservations on the issue and so it would be difficult to have the resolution approved in so short a time.

The Chair took note of the manifestation.

SUSPENSION OF SESSION

Upon motion of Senator Pangilinan, the session was suspended.

It was 6:46 p.m.

RESUMPTION OF SESSION

At 6:55 p.m., the session was resumed.

FOURTH ADDITIONAL REFERENCE OF BUSINESS

The Deputy Secretary for Legislation, Atty. Edwin B. Bellen, read the following matters and the Chair made the corresponding referrals:

COMMITTEE REPORTS

Committee Report No. 77, prepared and submitted jointly by the Committees on Education, Arts and Culture; Civil Service and Government Reorganization; and Finance, on Senate Bill No. 2408, with Senators Angara, Pangilinan, Antonio "Sonny" F. Trillanes IV, Juan Miguel F. Zubiri, Loren Legarda, Ramon "Bong" Revilla Jr., Miriam Defensor Santiago and Alan Peter "Compañero" S. Cayetano as authors thereof, entitled

AN ACT PROVIDING FOR ADDITIONAL SUPPORT AND COMPENSATION FOR EDUCATORS IN BASIC EDUCATION,

recommending its approval in substitution of Senate Bill Nos. 69, 137, 756, 1544, 1611, 1955 and 2300.

Sponsors: Senators Alan Peter "Compañero" S. Cayetano, Angara, Pangilinan, Juan Miguel F. Zubiri and Loren Legarda

To the Calendar for Ordinary Business

Committee Report No. 78, prepared and submitted jointly by the Committees on Education, Arts and Culture; and Ways and Means, on Senate Bill No. 2409, with Senators Angara, Jinggoy Ejercito Estrada and Alan Peter "Compañero" S. Cayetano as authors thereof, entitled

AN ACT CREATING A NATIONAL BOOK DEVELOPMENT TRUST

FUND TO SUPPORT FILIPINO AUTHORSHIP,

recommending its approval in substitution of Senate Bill No. 1720.

Sponsors: Senators Alan Peter "Compañero" S. Cayetano, Angara and Jinggoy Ejercito Estrada

To the Calendar for Ordinary Business**SPECIAL ORDER**

Upon motion of Senator Pangilinan, there being no objection, the Body approved the transfer of Committee Report No. 77 on Senate Bill No. 2408 from the Calendar for Ordinary Business to the Calendar for Special Orders.

COMMITTEE REPORT NO. 77 ON SENATE BILL NO. 2408

Upon motion of Senator Pangilinan, there being no objection, the Body considered, on Second Reading, Senate Bill No. 2408 (Committee Report No. 77), entitled

AN ACT PROVIDING FOR ADDITIONAL SUPPORT AND COMPENSATION FOR EDUCATORS IN BASIC EDUCATION.

Pursuant to Section 67, Rule XXIII of the Rules of the Senate, with the permission of the Body, upon motion of Senator Pangilinan, 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 Cayetano (A), Sponsor of the measure, who stated that he and the other Sponsors would submit their speeches at the proper time.

INTERPELLATION OF SENATOR PIMENTEL

Upon queries of Senator Pimentel, Senator Cayetano (A) replied that the bill seeks to adequately compensate public school teachers whose lowest basic pay is about P10,500 a month (Salary Grade 10).

Noting that the poverty threshold is P10,000 according to recent surveys, Senator Pimentel

remarked that the teachers are barely above the poverty line. He stated that it is incumbent upon the Senate to give better compensation to teachers who truly are engaged in a dignified profession.

Senator Cayetano (A) stated that the 40-year old Magna Carta for Teachers explicitly provides that teachers should be paid the equivalent amount of salary as other government employees with the same qualifications. He recalled that during the committee hearing, Senators Angara and Biazon pointed out that a second lieutenant gets P16,000 monthly while a teacher earns the same amount as a private in the AFP who is not required to be a college graduate. He agreed that the lowest basic salary barely keeps the teacher above the poverty line; thus, he underscored the need for legislation to improve the education system that would provide Filipinos with the wherewithal to have a better future.

Asked to compare the wages of a newly employed public school teacher and a police officer serving in a municipality, Senator Cayetano (A) said that the Committee found out that the teacher with the same qualifications as a police officer receives P6,000 to P8,000 less in monthly salary. He pointed that the police counterpart of a public school teacher, who is not a college graduate, earns P2,000 to 3,000 more because of the allowances.

Senator Pimentel stated that the Senate should act on the bill with urgency as the Magna Carta for Teachers stipulates that the salaries of teachers should be adjusted accordingly and legislators should do what they can to alleviate the plight of public school teachers. Senator Cayetano (A) said that the teachers have become a victim of their own strength. He pointed out that unlike U.S. politicians who do not move without consulting unions of educators, Philippine politicians have found it easier to give additional allowances to about 10,000 military personnel because giving additional support and compensation to teachers requires bigger appropriations, for instance, for every P1,000 increase, P6.7 billion is needed per year, and the DepEd alone has 500,000 employees.

Senator Cayetano (A) lamented that while foreign countries employ Filipino teachers who speak good English and pay them \$1,000 or more, others are recruited as caregivers and domestic helpers. He added that teachers who remain in the country cannot focus on their profession because they are forced to look for ways to augment their salaries.

He noted that even the Civil Service Commission allows eight hours of teaching, which is inconsistent with the six hours of teaching provided for in the Magna Carta. He said that the bill not only seeks to give additional compensation to teachers but also to send the signal to public educators that their needs are being attended to.

Senator Pimentel agreed, adding that there are reported incidents of teachers handling two or three shifts of classes a day. He cited the public schools in Marikina, which are used practically the whole day.

Senator Cayetano (A) bared that in Taguig, there are three shifts: from 6:00 to 10:00 A.M.; 10:00 A.M. to 2:00 P.M. and 2:00 to 6:00 P.M. with 60 to 80 students per shift. He expressed concern that the situation of the teachers, being underpaid and overworked, is taking a toll on their patience and affects their quality of teaching. He informed the Body that the Committee has promised three things: 1) to come up with a report on the amendments of the law and another on the extent of compliance of the DepEd and other implementing agencies; 2) to write the Civil Service Commission regarding the Magna Carta which clearly states the provision on compensation; and 3) to ask the DepEd to pay any overtime due the teachers as soon as the law is fixed.

Senator Cayetano (A) further explained that the bill also covers teachers who are being paid by the local government, most receiving only a P5,000 allowance. Further, he stated that in the bill, the DepEd shall shoulder part of the compensation for the teachers who are being paid by the local government and the school board shall be allowed to increase the current P1,000 monthly allowance for teachers.

Senator Pimentel suggested that the DepEd ought to screen and re-screen teachers to ensure that they had passed the teachers' licensure examination especially amid widespread reports of teachers with fake credentials landing teaching jobs in the ARMM DepEd.

On whether the bill provides a mechanism to prevent these monies from being given to unqualified teachers, Senator Cayetano (A) replied that the teachers will cease to receive these benefits unless they meet the qualification requirements of the DepEd within three years, and failing to meet the deadline,

they would not be given a national plantilla. He added that the local government is also given a deadline to stop hiring teachers who could not comply with the same requirements.

Upon further queries, Senator Cayetano (A) explained that while the teachers shall initially be given a P3,000 increase, they should comply with all the qualification requirements within three years to continue receiving benefits from the school board or the DepEd. For instance, he said that a teacher in Marikina is being paid by the local government P5,000, and under the bill, an additional P3,000 from the DepEd, provided he works on his qualifications within three years.

To the suggestion that the bill clearly state that the three-year period for completing the teaching qualification requirements shall not be extendible, Senator Cayetano (A) reiterated that the bill provides a non-extendible period of three years and that there is an incentive for locally funded teachers to comply since the DepEd is being encouraged to absorb qualified teachers and to fill up more than 10,000 plantilla items which offer better compensation and benefits.

Senator Pimentel believed that the ARMM situation of having unqualified teachers in teaching positions should be addressed as one way to mitigate the anger and resentment of the Moro people as he believed that through proper education, a lasting peace could be negotiated in the region. Senator Cayetano (A) gave assurance that a hearing on the matter will be conducted after the August ARMM elections, while concerns on other benefits such as hazard pay shall be discussed in the Magna Carta. He also suggested that Senator Legarda be allowed to make a manifestation on the same matter.

MANIFESTATION OF SENATOR LEGARDA

At the outset, Senator Legarda expressed support for the speedy passage of the bill to increase the salary grade of teachers, even as she expressed dismay that the 40-year old Magna Carta has not been fully implemented. She wondered why the DepEd regional officers have not released the P80-million allocation for hazard pay as it comprises 25% of the total take-home pay of teachers.

Senator Legarda disclosed that during the hearing, the DepEd officials told the Committee that they

were still identifying the areas where teachers have hazard pay, and she requested them and the officials of the Department of Budget and Management (DBM) to give the Body a list of all identified hazard areas as well as the number of recipients of the P80-million allocation. She clarified that the P80 million has not been released because the DepEd officials not only had to identify the hazardous areas, but also needed to disseminate the mechanics for the teachers to claim it. She asked that the DepEd be imposed a five-working day deadline to identify the recipients and areas covered by the hazard pay.

Senator Cayetano (A) agreed to include the suggestion in the meetings of the technical working group as he revealed that the Committee hearings discovered many items in the Magna Carta that were not funded, and those that were funded were either only partially funded or inaccessible. He noted that while funds were available for certain items, such as the P205 million allocation for an anti-tuberculosis program, the DepEd claimed that the money has not been released because it still has to consult Congress on how this would be spent. However, he questioned why the DepEd did not consult Congress on the matter last January or February so that the teachers could have been spared the trouble of having to pay for their own x-ray examinations last March. He added that the teachers requested the Committee to deal with the compensation issue ahead of time as it is a sensitive matter that would have to undergo a complicated legislative process. In fact, he said that the teachers see the committee report as a first step in the long battle to come up with an ideal and affordable amount.

As regards the request of Senator Legarda that the DepEd be given a deadline to account for both the P80-million allocation for the teachers' hazard pay and the P205 million anti-tuberculosis fund, Senator Cayetano (A) suggested that the DepEd could be given 10 working days to submit the necessary documents that would be double-checked by the Committee during the scheduled oversight hearing on the DepEd's budget in August.

MANIFESTATION OF SENATOR ESCUDERO

Senator Escudero said he has no objection to increasing the teachers' compensation for as long as they are performing their actual functions. He also pointed out that while the ideal student-teacher ratio of the DepEd is to have one teacher for every 35

students, the actual student-teacher ratio in the field is one teacher for every 50 or even 60 students simply because teachers possessing items conforming to their profession are performing non-teaching functions such as secretarial or messengerial tasks, to the extent that even a principal is given a teacher's item. He believed that the DepEd should recognize the need for a staffing pattern to include non-teaching items that require lower funding.

TERMINATION OF THE PERIOD OF INTERPELLATIONS

There being no further interpellation, upon motion of Senator Pangilinan, there being no objection, the Body closed the period of interpellations.

COSPONSORS

Upon their requests, Senate President Villar and Senators Zubiri and Cayetano (P) were made cosponsors of the bill.

TERMINATION OF THE PERIOD OF AMENDMENTS

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

APPROVAL OF SENATE BILL NO. 2408 ON SECOND READING

Submitted to a vote, there being no objection, Senate Bill No. 2408 was approved on Second Reading.

SUSPENSION OF CONSIDERATION OF SENATE BILL NO. 2408

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

COMMITTEE REPORT NO. 30 ON SENATE BILL NO. 1987 (Continuation)

Upon motion of Senator Pangilinan, there being no objection, the Body resumed consideration, on Second Reading, of Senate Bill No. 1987 (Committee Report No. 30), entitled

AN ACT TO ESTABLISH A SOCIALIZED AND LOW-COST HOUSING LOAN RESTRUCTURING PROGRAM, PROVIDING THE MECHANISMS THEREFOR, AND FOR OTHER PURPOSES.

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

TERMINATION OF THE PERIOD OF INTERPELLATIONS

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

COMMITTEE AMENDMENTS

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

1. On page 1, line 2, change the year "2007" to 2008;
2. On page 2, line 1, change the word and figure "six (6)" to THREE (3);
3. On the same page, line 23, replace the word "shall" with MAY, and delete the word "automatically";
4. On the same page, line 29, replace the words and figure "sixty-five (65)" with SEVENTY (70);
5. On the same page, line 30, change the word and figure "six (6)" to THREE (3) and insert the letter S after the word "amortization";
6. On the same page, line 33, after the word "incapacity," insert the words AND DEATH;
7. On page 3, line 7, after the words "boards of," insert the acronyms HDMF/PAG-IBIG, SSS, GSIS;
8. On the same page, line 13, change the word and figure "two (2)" to ONE (1) and delete the letter "s" in the word "year";
9. On the same page, after line 17, insert a new subparagraph (e) to read:
 - e. AN ACCOUNT OF THE HGC UNDER ITS MORTGAGE GUARANTY PROGRAM;
10. On the same page, line 27, after the word "made," insert the following proviso:

146

PROVIDED, MOREOVER, THAT THE FORECLOSURE PROCEEDINGS MENTIONED ABOVE SHOULD BE OBSERVED IN THE EVENT THAT THE BORROWER AVAILS OF THE BENEFITS OF THIS ACT BUT SUBSEQUENTLY DEFAULTS UNDER THE LOAN RESTRUCTURING PROGRAM; and

11. On page 4, line 16, between the words "laws," and "executive," insert the phrase INCLUDING R.A. NO. 8501.

TERMINATION OF THE PERIOD OF COMMITTEE AMENDMENTS

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

SUSPENSION OF CONSIDERATION OF SENATE BILL NO. 1987

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

SUSPENSION OF SESSION

Upon motion of Senator Pangilinan, the session was suspended.

It was 7:42 p.m.

RESUMPTION OF SESSION

At 7:46 p.m., the session was resumed.

PROPOSED SENATE RESOLUTION NO. 438

Upon motion of Senator Pangilinan, there being no objection, the Body considered Proposed Senate Resolution No. 438, entitled

RESOLUTION DECLARING AS READ AND APPROVED THE JOURNAL OF THE 88TH SESSION OF THE SENATE.

The Deputy Secretary for Legislation read the text of the resolution, to wit:

RESOLVED, that the Journal of the 88th Session, June 11, 2008, be declared, as it is hereby declared, read and approved.

ADOPTION OF PROPOSED SENATE RESOLUTION NO. 438

Upon motion of Senator Pangilinan, there being no objection, Proposed Senate Resolution No. 438 was adopted by the Body.

PROPOSED SENATE RESOLUTION NO. 439

Upon motion of Senator Pangilinan, there being no objection, the Body considered Proposed Senate Resolution No. 439, entitled

RESOLUTION AUTHORIZING THE PRODUCTION AND DISTRIBUTION OF ONE HUNDRED FIFTY (150) PRINTED AND DIGITAL COPIES EACH OF THE JOURNAL AND RECORD OF THE SENATE FOR THE FIRST REGULAR SESSION OF THE FOURTEENTH CONGRESS OF THE PHILIPPINES.

The Deputy Secretary for Legislation read the text of the resolution, to wit:

RESOLVED by the Senate, to authorize, as it hereby authorizes, the production of one hundred fifty (150) printed and digital copies each of the Journal and the Record of the Senate for the First Regular Session of the Fourteenth Congress of the Philippines, and its distribution under the direction of the Secretary of the Senate.

ADOPTION OF PROPOSED SENATE RESOLUTION NO. 439

Upon motion of Senator Pangilinan, there being no objection, Proposed Senate Resolution No. 439 was adopted by the Body.

HOUSE CONCURRENT RESOLUTION NO. 20

Upon motion of Senator Pangilinan, there being no objection, the Body considered House Concurrent Resolution No. 20, entitled

CONCURRENT RESOLUTION PROVIDING FOR THE ADJOURNMENT OF THE FIRST REGULAR SESSION OF THE FOURTEENTH CONGRESS OF THE PHILIPPINES NOT LATER THAN TWELVE O'CLOCK,

13

MIDNIGHT TODAY, WEDNESDAY,
11 JUNE 2008.

The Deputy Secretary for Legislation read the text of the resolution, to wit:

RESOLVED BY THE HOUSE OF REPRESENTATIVES, THE SENATE CONCURRING, That the President of the Senate and the Speaker of the House of Representatives be authorized, as they are hereby authorized, to declare the First Regular Session of the Fourteenth Congress of the Philippines adjourned, by adjourning the sessions of their respective Houses not later than twelve o'clock midnight today, Wednesday, 11 June 2008.

RESOLVED, FURTHER, That a committee of three (3) Members of the House, appointed by the Speaker, join a committee of the Senate, to inform the President of the Republic that the First Regular Session of the Fourteenth Congress is about to close, and that the two (2) Houses are ready to adjourn unless the President has a message or communication to transmit to them.

ADOPTION OF HOUSE CONCURRENT RESOLUTION NO. 20

Upon motion of Senator Pangilinan, there being no objection, House Concurrent Resolution No. 20 was adopted by the Body.

COMMITTEE TO NOTIFY THE PRESIDENT

Pursuant to House Concurrent Resolution No. 20, upon motion of Senator Pangilinan, there being no objection, the Body approved the designation of Senators Ejercito Estrada, Pimentel and himself as members of the committee, on the part of the Senate, to notify the President that the First Regular Session was about to adjourn *sine die*.

PROPOSED SENATE RESOLUTION NO. 440

Upon motion of Senator Pangilinan, there being no objection, the Body considered Proposed Senate Resolution No. 440, entitled

RESOLUTION COMMENDING THE
MINORITY LEADER OF THE
SENATE, THE HONORABLE
AQUILINO Q. PIMENTEL JR., FOR
HIS EXEMPLARY CONTRIBUTION

TO THE SUCCESS OF THE SENATE
DURING THE FIRST REGULAR
SESSION OF THE FOURTEENTH
CONGRESS OF THE PHILIPPINES.

The Deputy Secretary for Legislation read the text of the resolution, to wit:

WHEREAS, the Honorable Aquilino Q. Pimentel Jr. has discharged his duties as Minority Leader par excellence, worthy of the praise and honor he has received from the mass media, civic and religious organizations;

WHEREAS, always incisive in debates and plenary deliberations, he has by the law, logic and reason transformed complex domestic and foreign policy issues and controversies into a language easily understood by Filipinos;

WHEREAS, known for his advocacy for peace and human rights, he worked to provide measures in promoting human rights as part of the school curricula in all public and private schools;

WHEREAS, a towering figure in international politics, being an active member of the Committee on the Human Rights Parliamentarians (CHRP) of the Inter-Parliamentary Union (IPU), he spearheaded efforts to denounce the suppression of freedom and democracy in Myanmar;

WHEREAS, for his excellent performance as Minority Leader and invaluable contribution to the successful performance of the Senate, he fully deserves the respect and admiration of his colleagues in this Chamber: Now, therefore, be it

RESOLVED BY THE SENATE, To commend, as it hereby commends, the Minority Leader of the Senate, the Honorable Aquilino Q. Pimentel Jr. for his exemplary contribution to the success of the Senate during the First Regular Session of the Fourteenth Congress of the Philippines.

ADOPTION OF PROPOSED SENATE RESOLUTION NO. 440

Upon motion of Senator Pangilinan, there being no objection, Proposed Senate Resolution No. 440 was adopted by the Body.

PROPOSED SENATE RESOLUTION NO. 441

Upon motion of Senator Cayetano (A), there being no objection, the Body considered Proposed Senate Resolution No. 441, entitled

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RESOLUTION COMMENDING THE MAJORITY LEADER OF THE SENATE, THE HONORABLE FRANCIS N. PANGILINAN, FOR HIS DEDICATION AND OUTSTANDING LEADERSHIP IN STEERING THE DELIBERATIONS OF THE SENATE DURING THE FIRST REGULAR SESSION OF THE FOURTEENTH CONGRESS OF THE PHILIPPINES.

The Deputy Secretary for Legislation read the text of the resolution, to wit:

WHEREAS, the Honorable Francis N. Pangilinan, Chairman of the Committee on Rules and Majority Leader, has skillfully steered plenary deliberations and the passage of bills according to the agenda that the Senate has set during the First Regular Session;

WHEREAS, he has authored and sponsored measures that will improve education among our youth, ensure equal justice and respect for human rights, and eliminate graft and corruption;

WHEREAS, he has actively participated in committee investigations into alleged corrupt practices and anomalous transactions committed by and entered into by high government officials and has strongly asserted the independence, rights and prerogatives of the Senate as an independent and coequal branch of the government;

WHEREAS, recognizing the importance of inter-branch cooperation and coordination to provide national direction, he spearheaded the establishment of the Judicial Executive Legislative Advisory and Consultative Council (JELACC) which aims to strengthen the consultation and coordination processes among the three branches of government;

WHEREAS, for his parliamentary skills and knowledge in guiding the proceedings on the Floor of the Senate, he has earned the respect and cooperation of his colleagues that in turn resulted in a productive performance by the Chamber: Now, therefore, be it

RESOLVED BY THE SENATE, To commend, as it hereby commends, the Majority Leader of the Senate, the Honorable Francis N. Pangilinan, for his dedication and outstanding leadership in steering the deliberations of the Senate during the First Regular Session of the Fourteenth Congress of the Philippines.

ADOPTION OF PROPOSED SENATE RESOLUTION NO. 441

Upon motion of Senator Cayetano (A), there being no objection, Proposed Senate Resolution No. 441 was adopted by the Body.

SUSPENSION OF SESSION

Upon motion of Senator Pangilinan, the session was suspended.

It was 7:54 p.m.

RESUMPTION OF SESSION

At 7:54 p.m., the session was resumed.

PROPOSED SENATE RESOLUTION NO. 442

Upon motion of Senator Pangilinan, there being no objection, the Body considered Proposed Senate Resolution No. 442 entitled

RESOLUTION COMMENDING THE HONORABLE JINGGOY EJERCITO ESTRADA FOR EXEMPLIFYING THE VIRTUES OF INTEGRITY AND HARD WORK IN PERFORMING HIS DUTIES AS SENATE PRESIDENT PRO TEMPORE DURING THE FIRST REGULAR SESSION OF THE FOURTEENTH CONGRESS OF THE PHILIPPINES.

The Deputy Secretary for Legislation read the text of the resolution, to wit:

WHEREAS, as Senate President Pro Tempore, the Honorable Jinggoy Ejercito Estrada ably assisted the Senate President in presiding over the deliberations and proceedings of the Senate with utmost dedication and appreciable grasp of the Rules of the Chamber;

WHEREAS, as Chairman of the Senate Committee on Labor, Employment and Human Resources, he has filed legislative measures that enhanced income and labor productivity, promoted labor education and workers' rights to organize, and developed human resource skills and livelihood;

WHEREAS, Senator Estrada has zealously pushed for transparency and accountability in governance and the implementation of laws and

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government programs which favor the poor, alleviate poverty and promote social justice;

WHEREAS, his performance as Senator and as Senate President Pro Tempore has earned him the respect of his Colleagues: Now, therefore, be it

RESOLVED BY THE SENATE, To commend, as it hereby commends, the Honorable Jinggoy Ejercito Estrada, for exemplifying the virtues of integrity and hard work in performing his duties as Senate President Pro Tempore during the First Regular Session of the Fourteenth Congress of the Philippines.

ADOPTION OF PROPOSED SENATE RESOLUTION NO. 442

Upon motion of Senator Pangilinan, there being no objection, Proposed Senate Resolution No. 442 was adopted by the Body.

SUSPENSION OF SESSION

Upon motion of Senator Pangilinan, the session was suspended.

It was 7:56 p.m.

RESUMPTION OF SESSION

At 7:56 p.m., the session was resumed with Senator Pangilinan presiding.

PROPOSED SENATE RESOLUTION NO. 443

Upon motion of Senator Cayetano (A), there being no objection, the Body considered Proposed Senate Resolution No. 443, entitled

**RESOLUTION EXPRESSING THE
SENATE'S GRATITUDE AND APPRE-
CIATION FOR ITS ESTEEMED
PRESIDENT, THE HONORABLE
MANNY VILLAR, FOR HIS EXEM-
PLARY LEADERSHIP DURING THE
FIRST REGULAR SESSION OF THE
FOURTEENTH CONGRESS OF THE
PHILIPPINES.**

The Deputy Secretary for Legislation read the text of the resolution, to wit:

WHEREAS, Senate President Manny Villar, aware of the Senate's vital role in setting

national goals and direction, has presided over the Chamber's business with objectivity and impartiality, collaborating with his distinguished colleagues to find workable legislative and policy solutions to national crises and difficulties;

WHEREAS, he has led the Senate in, first, setting its legislative agenda for the First Regular Session of the 14th Congress, an agenda that is responsive to the people's needs and aspirations; and, second, in passing priority bills on that agenda;

WHEREAS, the Senate President has consistently upheld the Senate's oversight function as an effective instrument of check and balance amidst reports of corruption in the Executive branch of government and has tenaciously maintained the Chamber's institutional independence amidst attempts by its critics to downplay its role in national development;

WHEREAS, he has rallied the participating legislators and members of parliament from more than 140 countries around the world during the 118th Assembly of the Inter-Parliamentary Union (IPU) in Cape Town, South Africa, to push back the frontiers of massive poverty creeping in developing nations;

WHEREAS, under the impeccable and transparent stewardship of the Honorable Senate President, the Senate has consistently received from the people the highest trust and satisfaction rating among government institutions;

WHEREAS, for successfully leading a productive Senate amidst the growing political and economic crises besetting the nation, he has earned the respect and admiration of his honorable peers in the upper chamber: Now, therefore, be it

RESOLVED BY THE SENATE, To express, as it hereby expresses, its gratitude and appreciation for its esteemed President, the Honorable Manny Villar, for his exemplary leadership during the First Regular Session of the Fourteenth Congress of the Philippines.

MANIFESTATION OF SENATOR PIMENTEL

Senator Pimentel expressed the desire of the members of the Minority to be associated with the thought expressed in the resolution.

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ADOPTION OF PROPOSED SENATE RESOLUTION NO. 443

Upon motion of Senator Cayetano (A), there being no objection, Proposed Senate Resolution No. 443 was adopted by the Body.

SUSPENSION OF SESSION

Upon motion of Senator Cayetano (A), the session was suspended.

It was 8:00 p.m.

RESUMPTION OF SESSION

At 8:00 p.m., the session was resumed with Senate President Villar presiding.

CLOSING STATEMENT OF SENATOR VILLAR

Senate President Villar delivered his closing statement as follows:

Thank you for the support and for your kindness, as expressed in the resolution which has just been adopted.

My dear colleagues in the Chamber, I have a brief report on our accomplishment for the First Regular Session of the 14th Congress. With your consent, may I request that said report be inserted into the Journal and Record of today's session.

We have done much in the Senate in our First Regular Session, and I am sure everyone of us here feels good about it. We have lived up thus far to the expectations of those who sent us here, the Filipino people.

In less than a year's time, we have passed 29 bills on Third Reading, seven of which are now laws, and five bills on Second Reading. We have ratified two treaties, adopted 80 resolutions, and held countless hearings and investigations in aid of legislation. And in the performance of our oversight functions, we were able to do our tasks and discharged our mandate very well.

My thanks to all of you for your dedication and industry. Together and in unity, we have proven to ourselves and to the nation that we can do much.

Thank you, too, for standing by with us as we fought for the continued independence of the Senate.

May I also thank our ever competent and highly professional Senators' staff and Senate Secretariat for their assistance and support. To the members of the media and of the press, thank you too for covering our activities in the Senate in informing the public of what we do in the Chamber.

To everyone, it is highly rewarding to know that we have delivered. As Ralph Waldo Emerson stated so well, "The reward of a thing well done is to have done it."

Maraming salamat sa Diyos. Maraming salamat po sa lahat.

Mabuhay ang ating Senado. Mabuhay ang ating Republika.

Hereunder is the Accomplishment Report for the First Regular Session of the 14th Congress:

A NEW STEP IN A CONTINUING JOURNEY

My distinguished colleagues of this Chamber, the focus of our collective initiative as a deliberative body during our first regular session has been narrowed down to social justice and poverty alleviation, improvement of the justice system, entrepreneurial development, agricultural competitiveness, health promotion, environmental protection, and local empowerment.

Thus, I am pleased to report on what the Senate has accomplished since the opening of its session in July 2007. We have approved 28 bills of national importance and concurred in the ratification of two international treaties. A number of these bills have been signed by the President to become the latest laws of the land encompassing a wide range of our national concerns.

In particular, the laws we have passed are:

1. The General Appropriations Act of 2008;
2. The Magna Carta for Small and Medium Enterprises;
3. Extending the Use of the Agricultural Competitiveness Enhancement Fund;
4. Universally Accessible, Cheaper and Quality Medicines Act of 2008;
5. Creating the Civil Aviation Authority;

175

6. Extending the Benefits of World War II Veterans;
7. The UP Charter Act;
8. Expanding the Organizational Structure of the Court of Tax Appeals; and
9. Granting Tax Exemptions to Minimum Wage Earners.

The other bills that we have approved on Third Reading are:

Social Justice and Poverty Alleviation

10. Establishing livelihood and skills training centers in 4th, 5th and 6th class municipalities;
11. Providing additional benefits and protection to householders (*kasambahay*);
12. Strengthening and expanding the coverage of the Special Program for Employment of Students, amending R.A. No. 7323; and
13. Free Legal Assistance to poor litigants.

Judicial Reforms and Improvement on the Financial System

14. Establishing a provident personal savings plan, known as the Personal Equity and Retirement Account;
15. Establishing the Credit Information System;
16. The Pre-Need Code;
17. The National Tourism Code;
18. Granting additional retirement benefits to members of the Judiciary;
19. Providing for good conduct time allowances to detention prisoners and those serving sentence by virtue of final judgment;
20. Providing stiffer penalties for the crime of theft and robbery of portable telecommunications devices;
21. Providing compensation to victims of human rights violations during the Marcos regime;
22. Limiting the reappointment of a regular member of the Judicial and Bar Council who has already served a full term;
23. Decriminalizing vagrancy, amending Article 202 of the Revised Penal Code; and

24. Directing the DOJ, PNP, DILG, all law enforcement agencies and other government agencies tasked to enforce peace and order to issue rules and regulations on the presentation of suspects under their custody to the media.

Health Promotion

25. Expanding the promotion of breast-feeding; and
26. Declaring May 7 of every year as Health Workers Day.

Environmental Education

27. Promoting environmental awareness through environmental education.

Local Empowerment

28. Amendment of the Local Government Code to reduce the 30% amusement tax charged on cinemas and theatres to 10%.

In accordance with Section 21, Article VII of the 1987 Constitution requiring Senate concurrence in treaties and international agreements entered into by the Executive, this Chamber has approved the following resolutions:

1. Concurring in the Ratification of the Treaty on the Transfer of Sentenced Persons between the Republic of the Philippines and the Kingdom of Spain; and
2. Concurring in the Ratification of the Headquarters Agreement between the Republic of the Philippines and the International Rice Research Institute.

Our various Senate committees, including the oversight/joint committees and our subcommittees, have conducted a total of 372 public hearings, meetings and technical working group (TWG) meetings.

The Chamber has also adopted 86 simple Senate resolutions and six concurrent resolutions.

In November last year, the Senate successfully hosted the First Global Parliamentary Meeting on HIV/AIDS attended by 200 delegates from 55 Inter-Parliamentary Union (IPU) member-countries from Europe and Africa. Keynote speakers from the United Nations and several global institutions and nongovernmental organizations participated in the three-day assembly.

The Philippine Senate has been actively involved in the fight against HIV/AIDS since the

enactment of Republic Act No. 8504 or the Philippine AIDS Prevention and Control Act. HIV/AIDS prevention has become a major global health concern. It is a challenge to the parliamentarians of the world.

Last April, some of our colleagues, including this Representation, participated in the 118th Assembly of the Inter-Parliamentary Union in South Africa as part of our official function, the *Philippine Senate being an active member of the IPU*. The theme was pushing back the frontiers of poverty worldwide.

It was a productive engagement for those of us who represented the Senate. The distinguished Minority Leader, Senator Pimentel, was a very active member of the IPU Committee on the Human Rights of Parliamentarians. Sen. Pia Cayetano was unanimously elected as president of the IPU Coordinating Committee of Women Parliamentarians.

Addressing the 118th Assembly of the IPU, I stressed that good governance is essential in improving the quality of life of a great number of people; that transparency and integrity in public service, a passion for results, a sense of urgency and compassion for those who have much less in life are the driving forces behind any successful anti-poverty campaign.

At this time, my distinguished colleagues, we are also faced with escalating prices of fuel and rice. The transport sector has called for more increases in transport fares while the costs of education and other basic commodities are increasingly becoming less affordable to the common man.

We are also confronted with the growing number of overseas Filipino workers (OFWs) who suffer abuse and maltreatment in the hands of foreign employers, and could not afford to return home. The number of Filipinos who are serving time in jails in different continents have prompted me to call for an increase in the assistance funds to OFWs in distress.

A revolving P1-billion Assistance to Nationals (ATN) fund should be maintained to be sourced from OWWA membership fees and from the budget of the DFA and its internally generated income from passport and consular fees.

This proposal is made urgent by the plight of many Filipinos overseas.

According to a 465-page report of the DFA to Congress on the assistance its 83 posts worldwide extended to Filipinos during the first half of 2007, there were 4,770 Filipinos

linguishing in jails in 63 countries and territories as of June 2007.

We in the Senate are called upon to relentlessly pursue the task of easing the lives of our people with our collective creativity, wisdom and expertise, and to look not for placebos but for concrete and practical solutions. Let us continue to rally our people to the path of purpose and growth, propelled by an overcoming spirit amid uncertainties.

I wish to extend my deep appreciation to all of you, my dedicated colleagues, the members of our staff, the Senate Secretariat, the press and each one who in many ways contributed to a job well-done in the First Regular Session.

As true of every good performance, what has been accomplished is only the beginning of more accomplishments ahead, a new step in a continuing journey of institutional relevance.

Muli, maraming salamat po sa inyong lahat at mabuhay ang Senado at ang ating bayan.

CONTINUING AUTHORITY OF COMMITTEES

Senator Pangilinan reminded the Body of Senate Resolution No. 22 which authorizes all permanent committees to hold meetings, hearings and conferences during the recess of Congress.

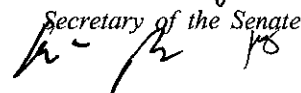
ADJOURNMENT OF SESSION

Pursuant to Senate Concurrent Resolution No. 3, Upon motion of Senator Pangilinan, there being no objection, Senate President Villar declared the First Regular Session of the Fourteenth Congress of the Senate of the Philippines adjourned *sine die*.

It was 8:04 p.m.

I hereby certify to the correctness of the foregoing.


EMMA LIRIO REYES

Secretary of the Senate


Approved pursuant to Resolution No. 83