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COMMITTEE REPORT NO. 503

Submitted by the Committee on Tourism and the Committee on Finance on DEC - 4 2012

Re: House Bill No. 2140

Recommending its approval with amendments.

Sponsor: Senator Manuel "Lito" M. Lapid

MR. PRESIDENT:

I.

The Committee on Tourism and the Committee on Finance, to which was referred House Bill No. 2140, introduced by Representative Agyao, entitled:

"AN

ACT DECLARING THE PROVINCE OF KALINGA IN THE CORDILLERA REGION AN ECOTOURISM ZONE AND APPROPRIATING FUNDS THEREFOR"

have considered the same and have the honor to report it back to the Senate with the recommendation that the bill be approved with the following amendments:

1. On page 1, Section 1, lines 1- 2, delete the subtitle "State Policy.-" and replace with the word "Title. - The whole paragraph shall read as:

"THIS ACT SHALL BE KNOWN AS "AN ACT DECLARING THE PROVINCE OF KALINGA IN THE CORDILLERA REGION AS A TOURISM DEVELOPMENT AREA (TDA)."

2. On the same page, line 3, Section 2 will have a subtitle "Declaration of Policy.-", then delete the whole paragraph, and in lieu thereof shall be replaced with the following paragraph to read as follows:

"IT IS HEREBY DECLARED THE POLICY OF THE STATE TO PROMOTE A TOURISM INDUSTRY THAT IS ECOLOGICALLY SUSTAINABLE, RESPONSIBLE, PARTICIPATIVE, CULTURALLY SENSITIVE, ECONOMICALLY VIABLE, AND EQUITABLE FOR LOCAL COMMUNITIES."

3. On same page, between lines 6 and 7, insert a new Section as "Sec. 3." with subtitle "Scope and Coverage.-" to read as follows:, and the numbers of the succeeding sections renumbered accordingly.

THE TOURISM DEVELOPMENT AREAS IN KALINGA HEREBY INCLUDE BUT NOT LIMITED TO THE FOLLOWING MUNICIPALITIES ENDOWED WITH NATURAL BEAUTY, RIVERS, LAKE AND MOUNTAIN RESOURCES, AND HISTORICAL AND CULTURAL SIGNIFICANCE:

THE MUNICIPALITY OF TINGLAYAN, IN THE PROVINCE OF KALINGA, WITH ITS NATURAL FORMATION OF MOUNTAIN RANGES AND THE NATURAL BEAUTY OF PALAN-AH FALLS AND HOT SPRINGS;

THE MUNICIPALITY OF TANUDAN, IN THE PROVINCE OF KALINGA, A POTENTIAL FOR TREKKING THE RAINFOREST OF MT. BINARATAN;

THE SUBTERRANEAN RIVERS AND CAVES, HEREIN, WITHIN THE MUNICIPALITY OF BALBALAN IN THE PROVINCE OF KALINGA;

THE AGUINALDO HILL AND MOUNTAIN LAKES IN THE MUNICIPALITY OF PINUKPUK, IN THE PROVINCE OF KALINGA;

THE POTENTIAL SITE FOR A WHITE WATER RAFTING ALONG THE CHICO RIVER STARTING IN TINGLAYAN DOWN TO LUBUAGAN, PASIL AND TABUK CITY, IN THE PROVINCE OF KALINGA;

THE HISTORICAL AREAS IN THE CITY OF TABUK, HEREIN, IN THE PROVINCE OF KALINGA;

THE PADHARAO LAKE AND THE HISTORICAL GUINA-ANG VILLAGE IN THE MUNICIPALITY OF PASIL, IN THE PROVINCE OF KALINGA;

THE ELEPHANT HILL AND THE MAN-MADE LAGOON IN THE MUNICIPALITY OF RIZAL, IN THE PROVINCE OF KALINGA.

AS SUCH, IT SHALL BE ACCORDED PRIORITY DEVELOPMENT BY THE DEPARTMENT OF TOURISM (DOT) AND SHALL BE SUBJECT TO THE RULES AND REGULATIONS GOVERNING TOURISM ZONES.

4. On page 1, line 7, renumber Section 3 as "Sec. 4." With subtitle "Tourism Development Plan of Kalinga.-", insert the paragraph which shall read as follows:

THE TOURISM DEVELOPMENT PLAN OF THE PROVINCE OF KALINGA SHALL BE INCORPORATED IN THE DOT'S OVERALL NATIONAL TOURISM DEVELOPMENT PLAN (NTDP) PURSUANT TO RA NO. 9593, OTHERWISE KNOWN AS THE NATIONAL TOURISM ACT OF 2009 AND BE JOINTLY IMPLEMENTED WITH THE LOCAL GOVERNMENT AND PROVINCIAL TOURISM COUNCIL OF KALINGA TAKING INTO CONSIDERATION RA NO. 7586, OTHERWISE KNOWN AS NATIONAL INTEGRATED PROTECTED AREAS SYSTEM ACT OF 1992 AND ITS IMPLEMENTING RULES AND REGULATIONS.

On same page, copy the paragraph on lines 7 – 11 as the second paragraph as amended; on line 9, delete the phrase after the word "shall" [, within one (1) year from the approval of this Act, cause the construction, installation and maintenance of such appropriate facilities and infrastructure which shall enhance

tourism in the area.], and in lieu thereof, replace with the phrase "DELINEATE WELL DEFINED GEOGRAPHIC AREAS WITHIN THE TDA AND COORDINATE THE INTEGRATED DEVELOPMENT OF THESE AREAS FOR THE OPTIMUM USE OF NATURAL ASSETS AND ATTRACTIONS, AS WELL AS EXISTING FACILITIES".

5. On page 2, line 1, renumber Sec. 4 to "Sec. 5." With subtitle "Kalinga Tourism Development Trust Fund.-", delete the phrase from lines 1-3 and replace with the following paragraphs:

THERE IS HEREBY ESTABLISHED A TRUST FUND UNDER THIS ACT TO BE KNOWN AS THE KALINGA TOURISM DEVELOPMENT TRUST FUND FOR PURPOSES OF FINANCING PROJECTS WHICH SHALL ENHANCE TOURISM IN THE PROVINCE OF KALINGA. THE TRUST FUND SHALL BE ADMINISTERED BY A TRUST FUND ADMINISTRATOR UNDER THE PROVINCIAL TOURISM COUNCIL OF INCOME SHALL BE DERIVED FROM FEES FROM KALINGA. VISITORS/TOURISTS, OTHER RESOURCES FROM THE PROVINCE, PROCEEDS FROM THE REGISTRATION AND LEASE OF MULTIPLE-USE AREAS, INCLUDING TOURISM CONCESSIONS. FEES. PROCEEDS, AND CONTRIBUTIONS FROM INDUSTRIES AND FACILITIES DIRECTLY BENEFITING THE PROVINCE.

THE KALINGA TOURISM DEVELOPMENT TRUST FUND MAY BE AUGMENTED BY GRANTS, AND DONATIONS, ENDOWMENT FROM VARIOUS SOURCES, DOMESTIC OR FOREIGN ENTITIES AND INDIVIDUALS, FOR PURPOSES RELATED TO THEIR FUNCTIONS: PROVIDED, THAT DISBURSEMENTS THEREFROM SHALL BE IN ACCORDANCE WITH EXISTING ACCOUNTING AND AUDITING RULES AND REGULATIONS. *PROVIDED*, FURTHER, THAT THE FUND SHALL NOT BE USED TO COVER PERSONAL SERVICES EXPENDITURES.

- 6. On the same page 2, line 4, renumber sec. 5 to "Sec. 6." With subtitle "Appropriations.-".
- 7. On the same page 2, line 8, renumber sec. 6 to "Sec. 7." With subtitle "Separability Clause. –"
- 8. On the same page 2, line 10, renumber sec. 7 to "Sec. 8." With subtitle "Repealing Clause. –"
- 9. On the same page 2, line 13, renumber sec. 8 to "Sec. 9." With subtitle "Effectivity Clause. --"
- 10. The Title shall read as follows:

""AN ACT

DECLARING THE PROVINCE OF KALINGA IN THE CORDILLERA REGION AS A TOURISM DEVELOPMENT AREA (TDA) AND APPROPRIATING FUNDS THEREFOR."

Respectfully submitted:

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