

CONGRESS OF THE PHILIPPINES
SENATE
RECORDS AND ARCHIVES DIVISION

REPUBLIC OF THE PHILIPPINES
SENATE
Manila

1- (40)
2nd REGULAR SESSION

COMMITTEE ON ELECTORAL REFORMS
AND PEOPLE'S PARTICIPATION

DATE : October 19, 1988, Wednesday

TIME : 9:00 a.m.

VENUE : Conference Room
Finance Bldg.
Manila

Present:

Hon. Neptali A. Gonzales, Chairman
Hon. Rene A. V. Saguisag
Hon. Vicente T. Paterno

Representatives:

(Please refer to the attached attendance
sheet)

Invited Persons/Guests:

(Please refer to the attached attendance
sheet)

Leg. Com. Secretary:

Atty. Christopher Soguilon

Leg. Com. Debate Stenographers:

Ms. Lourdes A. V. Lasquety
Ms. Maybelle Balagne
Ms. Odessy Jarencio
Ms. Ligaya Lazaro

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REPUBLIC OF THE PHILIPPINES
CONGRESS OF THE PHILIPPINES
SENATE
Manila

COMMITTEE ON ELECTORAL REFORMS AND PEOPLE'S PARTICIPATION

Date October 19, 1988
Time 9:00 A.M.

Venue 206 Finana Bldg.

ATTENDANCE SHEET

Members	Representatives	Initial
(Present)		
1. SEN. NEPTALI GONZALES (✓)		
2. SEN. EDGARDO ANGARA ()		
3. SEN. JOSEPH ESTRADA ()	<u>PAUL E. DE GILMAN</u>	<u>mg</u>
4. SEN. TEOFISTO GUINGONA ()	<u>Atty. Virgilio J. Zorruga</u>	<u>JB</u>
5. SEN. ERNESTO MACEDA ()		
6. SEN. JOHN H. OSMEÑA ()		
7. SEN. AQUILINO PIMENTEL ()		
8. SEN. SANTANINA RASUL ()		
9. SEN. WIGBERTO TAÑADA ()		
10. SEN. VICTOR ZIGA ()	<u>Geromimo Berang</u>	<u>BJB</u>
11. SEN. JOVITO SALONGA ()		
12. SEN. JUAN PONCE ENRILE ()		
13. SEN. ORLANDO MERCADO ()	<u>Atty. Zolly B. Doron</u>	<u>J</u>
* 14. Sen. Vicente Paterno (✓)		
* 15. Sen. Romo Saquisas (✓)		
* 16. Sen. Acapito Aquino	<u>Simon S. Senapis</u>	<u>Sapnl</u>
* 17. Sen. Roberto Romulo	<u>ED LIBRAN, Jr.</u>	<u>INITIAL</u>
GUESTS		
1. <u>Erlinda R. AGUIA</u>	<u>NTRC</u>	<u>era</u>
2. <u>H. S. DAVIDE JR.</u>	<u>COMELEC</u>	
3. <u>Antonio H. Lava, Jr.</u>	<u>for Sen. Aquino's Staff</u>	
4. <u>FAYANI S. VEGARA</u>	<u>Masidra Features Inc. Corp.</u>	<u>FB</u>
5. <u>Dr. A. Surig</u>	<u>DBM</u>	<u>R</u>
6. <u>Atty. JOJO V. MEJIA</u>	<u>Senator Saquisas</u>	<u>WJ</u>
7. <u>Refanias/Manan</u>	<u>Senator Paterno</u>	
8. <u>Atty. Hernando Mezangay</u>	<u>Sen. Romulo</u>	<u>M</u>
9. <u>Angelina Ma: Pangasinan</u>	<u>CIWATPI (National Council of Social & Development Agencies of the Phils.)</u>	
10. <u>Lucinda L. Silva</u>	<u>CIWATPI</u>	
* <u>Francis Sarano</u>	<u>ADVOCATE (NATIONAL TRAINING & EDUCATION CENTER)</u>	<u>JBS</u>

Guest Senator

SECRETARIAT

- 1. Atty. Christopher Soguilon - Legislative Committee Secretary
- 2. Kiram G. Mamacotan - Legislative Page
- 3. MANUEL G. PARLADÉ - " "
- 4. Lourdes A.V. Lasguita - Leg. Sibati cto. stenographer
- 5. Marybelle Balagne - do -
- 6. Odessa O. Juncos - do -
- 7. Ligaya Lazaro - do -
- 8.

10.

OFFICE OF SEN. GONZALES

- 1. Atty. Williard Wong - Senate Committee Secretary
- 2.
- 3.
- 4.
- 5.

○

Guests

OFFICE/AGENCY

INITIAL

SENATE ARCHIVES (CRAS)

ELECTORAL REFORMS

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At 9:40 a.m., the Chairman of the Cte. on Electoral Reforms and People's Participation, Hon. Neptali A. Gonzales, called the meeting to order.

THE CHAIRMAN. Good morning. The meeting of the Cte. on Electoral Reforms and People's Participation will please come to order. And the certification issued to me by the secretariat or the attendance sheet shows that majority of the members of the committee are present in person or through their duly authorized representatives, and we want to make specific mention of the fact that Sen. Saguisag is present in person, and we welcome his participation especially considering the fact that he is the author of Senate Bill No. 663.

Now, we want to make a preliminary consideration of the following bills which were referred to this committee.

1. Senate Bill No. 663, introduced by Sen. Rene A. V. Saguisag, entitled, "AN ACT TO PROMOTE POLITICAL EXPRESSION ON PUBLIC ISSUES AND QUALIFICATIONS OF CANDIDATES FOR PUBLIC OFFICE, BY CONFIRMING THE EXEMPTION OF POLITICAL CONTRIBUTIONS FROM ANY FORM OF TAXATION."

2. Senate Bill No. 745, introduced by Sen. Vicente T. Paterno, entitled, "AN ACT TO GUARANTEE THE RIGHTS OF PEOPLE'S ORGANIZATIONS, AND FOR OTHER PURPOSES."

(3)

3. Senate Bill No. 747, introduced by Sen. Agapito A. Aquino, entitled, "AN ACT TO PROMOTE AND ENCOURAGE NON-GOVERNMENT ORGANIZATIONS, ESTABLISHING ADEQUATE CONSULTATION MECHANISMS, AND FOR OTHER PURPOSES."

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4. Proposed Senate Resolution introduced by Sen. Alberto G. Romulo, entitled, "RESOLUTION DIRECTING THE COMMITTEE ON ELECTORAL REFORMS AND PEOPLE'S PARTICIPATION TO CONDUCT A STUDY ON THE IMPLEMENTATION OF THE CONSTITUTIONAL DIRECTIVE FOR CONGRESS TO DESIGN A PROCEDURE FOR THE DISABLED AND THE ILLITERATES TO VOTE WITHOUT THE ASSISTANCE OF OTHER PERSONS." and

5. Proposed Administration Bill, entitled "AN ACT PROVIDING FOR A SYSTEM OF INITIATIVE AND REFERENDUM AND APPROPRIATING FUNDS THEREFOR."

Now, we have invited a number of officials and we have invited Chairman Davide of the Commission on Elections whose presence is recognized with gratitude. Then we have also invited the National Tax Research Center who had sent Ms. Erlinda P. Aguja, as its representative in this meeting.

Now, the records would show that we have received from Chairman Davide a letter dated 24 September 1988 consisting of 5 pages wherein the comments of the Commission on Elections on the 5 bills under consideration today are contained. I understand also we have likewise received a comment dated September 23rd 1988 of the National Tax Research Center consisting of three pages and setting forth the comments of that office on Senate Bill No. 663. Then also, we have received a comment dated October 5th 1988 of Mr. Rolando Modina, Executive Director of the Agency for Community Educational Services Foundation, Inc. embodying the views of that office supporting Senate Bills Nos. 745, 747

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and the proposed bill under initiative and referendum.

Now, all of these communications have been furnished each and every member of this committee, and therefore, we will consider now first, Senate Bill No. 663 and we have Sen. Rene A. V. Saguisag. Were you furnished a copy of the comments of the Commission on Elections and the National Tax Research Center insofar as your bill is concerned?

SEN. SAGUISAG. Well, I was, Mr. Chairman, earlier this morning in relation to the comments of the Commission on Elections and earlier, in regard to the NTRC in connection with a hearing conducted on the same bill by the Cte. on Ways and Means which in fact has issued Committee Report No. 344 reporting the bill out favorably, Mr. Chairman.

THE CHAIRMAN. So, the Committee on Ways and Means reported out favorably this bill together with amendments?

SEN. SAGUISAG. Yes, Mr. Chairman. It was submitted to the Senate on October 6, 1988 and it was reported out with the recommendation that the bill be approved without amendments, Mr. Chairman.

THE CHAIRMAN. What is the pleasure of the author of this bill, to hear the Comelec and the National Tax Research Center or would you rather explain your bill to this committee first?

SEN. SAGUISAG. Well, my explanation really is contained in the Explanatory Note. I have gone over the comments of our distinguished guests and unless they have something to add, I would like to react to their comments. So, kung wala na ho silang ^{AG} idadagdag...

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THE CHAIRMAN. Yes.

SEN. SAGUISAG. Anyway, in the course of the hearing, there could be exchanging views on the merits or lack of same in relation to the bill I have filed, Mr. Chairman.

THE CHAIRMAN. Sen. Saguisag, of your own knowledge, has the BIR enforced or has it ever sought to impose a donor's tax or gift tax on political contributions before?

SEN. SAGUISAG. To my knowledge, this is really the very first time in our political history...

SENATE ARCHIVES (CRAS)

COMMITTEE ON ELECTORAL REFORMS AND PEOPLE'S PARTICIPATION

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SEN. SAGUISAG...This is really the very first time in our political history that this has been done, and in fact in my study of the subject; the first time that I came to know an attempt to impose such assessment was an article I saw in Manila Bulletin in March of this year. And when I conferred with Commissioner Tan about this problem, he told me last March or April that it was his intention to even reward some people in the BIR for coming up with this idea.

So if it had been done before I am sure it would not have escaped our notice either because we are in public life ourselves or we would have been approached by our clients. That was why for my part Mr. Chairman, the first I came to know of it, was when a relative of a donor of mine called me up very excitedly one morning saying that his sisterly-in-law nearly had a heart attack upon receiving the assessment.

He had contributed half a million to my political campaign coffers last year and got an assessment about a year later to the tune of almost 150,000. So that is my problem here, if we had been told before hand that, that would be the intent then the donors could have set aside a certain amount, and that's why it's a very long way of answering the question but this is really the factual background we have been Mr. Chairman, and some form or another in public life of ourselves all these years.

Nandiyan po kayo, kayo nabubuhay, mas mahaba/^{po}ang memorya niyo tungkol sa mga bagay na ganito, e, tila po ang konsensus natin sa Senado nang ito po ay pagusapan natin, no one could recall that this was ever done, and this puts us really in a quandary since it's very hard to go back to our donors who were very generous, who are very gracious, to tell them that on top what they gave us last year, ^{they} would have again to pay a substantial

amount.

THE CHAIRMAN. Well, siguro naman ay hindi kailangang - I mean totoo 'yong sinabi niyo tungkol sa haba nang aking buhay, kaysa sa inyo, pero wala naman sigurong dahilan na ipagsaksakan natin, paulit-ulit natin ang mga bagay na ito.

Elections had been held in this country ever since, and in our own experiences, this is the first time that this matter has been sought to be enforced or implemented, or adopted, or whichever it is, by the Bureau of Internal Revenue and in a way, I mean many candidates as well as their supporters feel that they have ambushed.

I mean they were led to believe before that all of these things are not subject to any kind of tax, and yet out of the blue, and without any apparent reason whatsoever, then came this assessment.

Siguro naman kauna-unahang pagkakataon ito and I think the records of the Commission on Elections would show that there has been a fairly honest reporting by the candidates. Medyo nagulat siguro, I mean, ngayon lang siguro kayo nakakita ng mga candidates na nagreport nang millions of pesos spent for their election campaign. Ang karamihan diyan ay before, alam natin ang hindi totoo, and we propagated at the myth, encouraged this myth, sapagkat alam natin na ang nirereport sa inyou ay hindi naman totoo 'yon, e. I mean candidates are spending so many times over what they actually report.

Now, here's the first time where candidates had been encouraged to make a fairly accurate reporting-hindi ko namang sinasabing totoo-pero ngayon lang nga mayroong 2, 3, 4-million pesos na nagreport up to 9 or even 13-million pesos; this is unheard of before. Because of that, then parang pinaparusahan ang gobyerno ang compliance with the provisions of the law by them, and then, out of the blue from nowhere at all, without any warning at all, then here comes the BIR, making this

assessment.

And I think these are the considerations that prompted the filing of this bill. ^PSo Mr. Chairman, Chairman Davide, we have your comments here and you may want to add that some things more by way of your knowledge and expertise and from the official window of your office.

MR. DAVIDE. Thank you, your Honor. We did in fact received communications from the Bureau of Internal Revenue for access to the statements of expenditures and it happened only this political exercise I suppose.

The intention of the bill is to give it a retroactive effect and I'll submit the matter to the collective wisdom of the Senate. Of course, I should like to stress the fact that there must be safeguards here because this could also be a way to avoid taxes especially if it is to be total exemption.

SEN. SAGUISAG. Mr. Chairman, in fact, in the future I may not even object but at least there would have been fair warning to the public, so that they can already make provisions when they contribute that some amount should go to the government. It's really this ambushade thing that has bothered us. So that's why we are really very concerned about getting some kind of retroactive effect whether by this bill, whether/through an amnesty initiated by the Executive Department because of the unfairness that we / ^{believe} characterized this implementation that, as was described by the Chairman, just came from the out of the blue.

MR. DAVIDE. We are in full accord with the intention of the bill your Honor.

THE CHAIRMAN. Mr. Chairman, you spoke of certain limitations and that is also the same position of the National Tax Center. The trouble with the position of the National Tax

Center is that, it would want to peg the tax exempt contributions to only P1,000 as provided for by existing laws.

How would you react to that position taken, I mean is the representative of the National Tax Center -

MS. AGUJA. Thank you, Mr. Chairman, actually, political donations are not really taxable. This is only the first time that the BIR Commissioner.....

THE CHAIRMAN. May I get your name?

MS. AGUJA. I am Ms Aguja -

THE CHAIRMAN. Yes, go ahead. I mean, will you state in the record your name, official position please, and the agency you are presenting.

MS. AGUJA. I am Erlinda Aguja, Chief of the Direct Tax
Taxes Branch of the National/Research Center. Our position Mr. Chairman, is still to tax or maintain the present taxability of political contributions because they are really taxable under the donor tax. However, we have already listened to the points raised by Sen. Saguisag and we are offering a kind of concession that is a tax amnesty for the past two electoral exercises particularly on the tax liability.

Our scheme will preserve the revenue aspect and also maintain or preserve the taxability of political contributions. We are offering.....

MS. AGUJA...We are offering a tax amnesty scheme which is somewhat like 50% of the assessment of the BIR. We should be thankful that the BIR Commissioner has been resourceful this time; he was able to look for potential revenue sources which has been ignored for several years. It is also through the cooperation, of course, of the Commission on Elections.

Our scheme is about 50% of the assessment given by the BIR. If they have already found out who the taxpayers are and how much would be their tax liability, we are offering a tax amnesty of say 50% of the assessment. However, for those who would be interested in declaring voluntarily their tax liability, then maybe a 5% tax on whatever is declared as a donation.

THE CHAIRMAN. I see. You can do that administratively?

MS. AGUJA. That is quite debatable inasmuch as tax amnesty laws can also emanate from the Executive branch and it can be concurred by the Legislative branch of government or it can emanate perhaps in the Legislative or in Congress.

THE CHAIRMAN. Because there was, I understand, a gesture towards this direction of Commissioner Tan and it came to a point that, of course, like any other citizen, the Members of Congress would want some sort of a spirit settlement or what you call compromise or whatever it is, but the trouble is that, in the view of some Senators, something more basic than the amount of the assessment is involved in this case. In fact, many Senators are thinking of bringing or testing the legality of this assessment before the courts. On the other hand, they would want some established policy on this matter through the enactment of appropriate legislation. But how would you react to this proposal of an amnesty or compromise, Senator Saguisag?

SENATOR SAGUISAG. Well, Mr. Chairman, with all due respect to our friends who are really experts in the field, I have difficulty classifying political contributions as just another kind of gift.

Under Section 91 of the NIRC, I mean, kung magbigay po si Pedro kay Petra dahil kaibigan niya, fine, that should be taxable. But yet there is a public orientation when you support, let say, a cause in a referendum, let us say you will at least spend in 1991 the bases or against the bases, I do not think that that is the spirit of the gift tax. That is why, philosophically, we do not believe that to lump together -- When I give a contribution to Senator Gonzales, it is partly because I may like him and/or what he stands for. So, it is not meant to be of benefit to him personally. It promotes participation in the political process and that is why, we believe that if it would be considered a gift tax at all, it should be treated under another category where it should be X in regard to a gift tax, maybe it should only be on-half X or one-third X because of the principle involved.

However, I think, Mr. Chairman, where we really got bogged down on in our informal discussions of this among our colleagues is really the amount because if it is something that is minimal and without naming anybody, the feeling of some of us is that, this is something we cannot allow our own contributors to shoulder if at all possible. I do not want to stress that point because it may mean that there is a self-serving aspect because really there is a principle involved here.

So, that is where we are. Fifty percent, I believe, Mr. Chairman, is really on the high side. That will mean that someone who got assessed for 149 Thousand on a half a million contribution, he would have to shell out 75 Thousand. I have no objection to that in the future but because of the way it was being implemented here, a much lower figure I think is possible to consider and that is why I am personally for encouraging our guests in the way of submitting that formula which we can take up not only with the chairman here but also with the chairman of the Ways and Means Committee and our other colleagues. In short, I have an open mind, Mr. Chairman.

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THE CHAIRMAN. The feeling expressed by Senator Saguisag here is representative of the feeling of all the Members of Congress because nakakahiya iyon sa contributor mo, pagkatapos ngayon ay siya ang sinisingil. Sinisisi ka pa - "Bakit niyo ba inilagay iyong pangalan namin among the contributors?" Biruin mo, nag contribute lamang pagkatapos ay sisingilin.

So, what actually happens is this. I wrote my own contributors because they all received assessments and sabi ko not to worry because the matter is still being taken up with the tax authorities and whatever tax that may finally be adjudged against you, kami na ang magbabayad noon. And that is what is going to happen. Ipangungutang na namin iyon kahit na kami ay wala sapagkat kung hindi ay, hindi bale ako, magtatapos na ako pero itong mga ito magka kandidato pa ito sa susunod. (Laughter)

SENATOR SAGUISAG. Mr. Chairman, may the record show that I am taking very strong exception.

THE CHAIRMAN. Okay. Alam niyo iyang mga nasa public office na hindi na kakandito, iyon ay parang iyong buntis na nanganganak. Dahil doon sa sakit doon sa panganganak, minumura iyong asawa at ang sabi, "Hindi na mauulit ito, hindi na mauulit ito." pero after one year nandodoon na naman sa delivery room. That is the situation because we were all taken aback by this.

But how about in the United States? I think most of our tax laws have been copied from the United States and ano ba ang experience in the United States, Miss Aguja?

MS. AGUJA. In the U.S., they only allow \$100 as political contributions which is deductible from the taxable income of the individuals. For corporations, they do not allow any deduction other than if it is coursed through an organization, a civic organization.

THE CHAIRMAN. But hindi iyong income tax, iyong exemption. Ang direction ng inyong ano is the donor's tax, ang pinag-uusapan

po natin ay it is not whether or not this is exempt from the income tax but whether or not the political contribution itself is a gift and therefore subject to the donor's tax. Hindi iyong whether it will be considered as *business* expense or as a deductible item from the income tax. Iyon po ang question.

MS. AGUJA. It is subject to the donor's tax, Mr. Chairman.

THE CHAIRMAN. The study made by the Angara Law Offices on this and also former Commissioner of Internal Revenue - Plana - believes that. Pakitingnan niyo nga lamang. Iba ang angle ng approach niyo, eh. Iyong exemption from the income tax, hindi po iyon ang pinag-uusapan natin and these people do not claim exemption from the income tax. Ang nire-resist ngayon ay the imposition of the donor's tax.

MS. AGUJA. But the bill says it is an exemption from all taxes.

THE CHAIRMAN. That could be the subject of consideration of the committee but iyong essence ng subject to donor's tax, nandodoon I think ang essential problem.

SENATOR SAGUISAG. I would want to stress that that is really the limited intent of this bill.

Mr. Chairman, in the memorandum prepared for Senator Angara dated May 31, 1988...

SEN. SAGUISAG . . . dated May 31, 1988 comprising 12 pages signed by former BIR commissioner and Supreme Court Justice Efren I. Plana, the conclusion ran this way. Whether we apply the Civil Code concept of "dination" or American Law and juridprudence on gift tax, the result is the same. Political contributions are not taxable gifts. So really there is a very serious question. You have taken that position, you are expert on this. But the expertise of Com. Plana is something that really impresses most of us familiar with his work. Talagang iyan po ang linya ni Com. Plana. And besides really, we have to have our won policy on this. I know that under American law, if you yourself would make the expense, you could spend a billion dollars of your own money subject to no limitations.

So, as I have said I agree with Com. Plana; I have studied the same, I cannot claim the same degree of expertise, but I think it is really entitled to the highest respect, and to me, because of the retroactivity aspect of this, in case of doubt I think this is the kind of opinion we should adopt.

Now, in the future when we are free to set a new policy in the future, but if someone like Com. Plana believes that it is not taxable, what more with the laymen who made a contribution, not knowing that this will happen. Ang malongkot pa nga po rito Ginoong Chairman, at least tayo po pinalad na manalo; ang pinakamasama po ang loob nito ang natalo. Masam na ang loob ng natalo at natalo sila, iyon namang mga nag-donate, na nagback up ng natalong manok, ngayon ay mayroon na namang bagong responsibility, talagang doon doble-doble ang sakit. That's why we are

interested in the retroactivity aspect only insofar the donation aspect is concerned. I agree with the chairman, we have no intention of extending this to income tax.

MR. CHAIRMAN. For me, I would not want to extend this to income tax. Ang importante ang donor's tax. And, hindi ba yata sa Amerika, libre ang magdonate, except for the fact that the candidate, that portion, that is contained in the Comelec's recommendation, the exemption should relate only to the portion that is used really for the political purposes. But that portion which is used for his personal account should be taxable, and he should ever be subject to criminal prosecution. That's what had happened in the United States. Many had been convicted for diverting into personal use political contribution. That is a crime and that is why you will see ang concept nito ay iba kaysa sa ordinary gift.

Pag ordinary gift ibinibigay mo iyon para gamitin ko for my own use and for my own benefit. But this is actually to make it to a political cause or for political belief, so much so kapag dinivert mo ito for personal use, not only do you lose the tax exempt privileges, but you become subject even to criminal prosecution. Hindi kamukha ito ng ordinary gift, kesa itapon mo iyon sa Pasig river or whatever it is, or ibigay mo na sa akin ito, kesa anong gawin ko, except when it is a conditional donation.

Now, I think iyong views na iyon, we are asking because we want to put this behind us. This legislation will certainly take a long time. We will tell you our difficulty in this bill. We are going to report now and you can be sure of passage regardless of what the National Tax Research Center says.

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Ang masama nito, we are exposed to the possible conflict of interest. Ito ang iniwasan namin because we will become, although we are really enacting for not ourselves, but also intended for the future. Ang experience lamang namin ang naging base for the enactment of this legislation. And diperensiya, we directly benefit from it and therefore, nagkakaroon kami ng crisis of conscience. We are exposed to the possible conflict of interest violation. Kaya, nahihirapan kaming kumilos in respect of this bill. And the sooner we can dispose of this administratively, the better. Any comment sa sinabi ko?

SEN. SAGUISAG. Gusto ko lang bigyan diin iyon of course pag dinivert to personal purposes, then it should be taxable. But iyon namang nagbigay ng one million ang isang donor, everything accounted for as having been spent to promote a cause or candidacy, then certainly it should not be subject to income tax because we never benefited from it. But the reason why we would really be more comfortable with some executive initiative is that we do had mixed motives here: We are protecting future exercise, we are protecting donors, high donors, low donors. But it is really this problem at the end mayroong efectong beneficial to us that deserves us and preferably, talagang mas maganda na after a review on your part, you can agree with this interpretation for the time being that anus will be lifted from our shoulders. Talagang mababanatan kami rito, but we believe that really an objective question of principle to guide us in the future and to guide us in relation to this existing assessments is necessary.

Pero kung kayo ay magrereconsider, If I may just complete the citation from Justice Plana na inumpisahan ko na kanina, and this conclusion, meaning the taxable, is supported by the familiar rule of interpretation that tax laws, especially those imposing tax liability are to be construed liberally in favor of tax payers and most strongly against the government because burdens are not supposed to be imposed beyond what statues expressly and clearly import. So citing a case the same rule is observed in the United States.

So I join the chairman here in appealing to you whether we can be saved from having to do this. I agree with him it has been reported out favorably by the Ways and Means Committee. I cannot see how it can pay to pass muster here neither. So I am just reenforcing for the last thought that was expressed here by the chairman of this committee.

THE CHAIRMAN. Mrs. Aguja, you mentioned something 50 percent and then you spoke of 5 percent.

MRS. AGUJA. Mr. Chairman, this is just a suggestion. . .

MR. CHAIRMAN. In fact, we are encouraging these thoughts.

MRS. AGUJA. Mr. Chairman, may I offer a suggestion. We can eliminate the area wherein you said you will be benefiting from the passage of that law by applying it only prospectively, and I am grateful for the citation of the Plana case; that will help a lot. However, I suggest that for the retroactive application which is in the bill we can perhaps offer a tax amnesty.

MR. CHAIRMAN. Ano kaya, what is the- because there

is that decision, if you recall Chairman Davide, that a tax amnesty is one that does not require concurrence of the Senate; that the requirement of concurrence or concurrence of Congress, this was decided by the Supreme Court because Pres. Marcos issued his tax amnesty and somebody challenged it on the ground that it is or at least

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THE CHAIRMAN. ...at least, yes, because there was no concurrence on the part of the Batasang Pambansa. And the Supreme Court said that, this is not the amnesty that requires concurrence of Congress. That requirement of concurrence applies in punitive or criminal matters. Halimbawa, for political offenses like that, but tax amnesty does not fall into the character of a punitive or a criminal act that can be wiped out by ^{an} amnesty only with the concurrence of Congress kaya baka naman kako it can be done on the executive or administrative level.

MS. AGUJA. We can look into that, Mr. Chairman.

THE CHAIRMAN. Please look on that. Any other thing? I think very exhaustive ang comment ng Comelec on this particular matter as well as that of the National Tax Center. So, please, ano, Ms. Aguja. Ang interest lang namin ay donor's tax lang, not the income tax.

Well, this is a preliminary consideration and we will call later an executive committee meeting for the action that the committee would want to take on Senate Bill No. 663.

In the meantime, in the light of the comments by the Comelec and the National Tax Research Center and our indication that we have really no desire to extend the exemption to the income tax, will the author of Senate Bill No. 663 please prepare or consider the necessary amendments which will be embodied in the committee report.

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Now, we want to acknowledge the presence of Sen. Vicente Paterno and we have now before the table, Senate Bill No. 745 introduced by Sen. Paterno and entitled, "AN ACT TO GUARANTEE THE RIGHTS OF PEOPLE'S ORGANIZATIONS, AND FOR OTHER PURPOSES."

This bill has been endorsed favorably by both the Comelec as well as the Agency for Community Educational Services Foundation, Inc. with certain proposals.

In the case of the Comelec, it had suggested that the constitutional provision that would prohibit the registration of political parties that would pursue their ends through violence be applied similarly to the registration of people's organization. Is that not correct, Chairman Davide?

MR. DAVIDE. Yes, Your Honor.

THE CHAIRMAN. Would you have anything else to add in connection with Senate Bill No. 745?

MR. DAVIDE. We are endorsing fully Senate Bill 745. This is really in pursuit of Sec. 16 of Art. XIII of the New Constitution mandating the immediate enforcement of the right of independent people's organization.

THE CHAIRMAN. Sen. Paterno, will you briefly explain to the committee this bill?

SEN. PATERNO. Thank you, Mr. Chairman.

In view of the fact that Sections 15 and 16 in Art. XIII especially Sec. 16 thereof, gives a right to people's organizations to participate at all levels of social, political and economic decision-making. We felt it was a matter of some urgency, Mr. Chairman,

to have first a definition of what is a people's organization. Second, a procedure for registration so that that right can be exercised by duly accredited people's organizations, and then a spelling out of what those rights consist of.

So, Mr. Chairman, this bill is introduced for that purpose in order that the government may at an early time, be able to give meaning to the provisions of Sec. 15 and 16 of Art. XIII.

In this bill, Mr. Chairman, there are definitions in Sec. 3 which treat of the terms, "people's organization", "bona fide associations", "demonstrated capacity to promote the public interest", "identifiable leadership", "identifiable membership" and identifiable structure" and the term, "effective and reasonable participation", which are all contained in Sections 15 and 16 of Art. XIII and which we thought merited treatment in the bill so that there would be no need for any quarrels at the registering agency of what these terms in the Constitution meant.

Now, the procedure for registration, Mr. Chairman, we thought that people's organization who would be entitled to this right given by ^{the} Constitution should be first duly registered, and therefore, a procedure for registration is set forth in Sec. 5 of the bill.

THE CHAIRMAN. With what body?

SEN. PATERNO. Well, we provide for two venues of registration, Mr. Chairman. First, the Securities and Exchange Commission if the people's organization is duly incorporated for purposes of legal personality.

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But we anticipate, Mr. Chairman, that many, in fact, most of the people's organizations claiming this right, would be community-based organizations and that a certification or a written statement of the barangay captain attesting to the existence of the organization in the barangay for a period, as we put it in the bill, of at least 3 years and giving a list of the activities and projects of the organization during the same period should suffice.

THE CHAIRMAN. Sen. Paterno, I mean, we can probably take this up in committee. But have you considered that there is apparently a similar bill and that is 747 that was introduced by Sen. Aquino entitled, "AN ACT TO PROMOTE AND ENCOURAGE NON-GOVERNMENTAL ORGANIZATIONS, ESTABLISHING ADEQUATE CONSULTATION MECHANISMS, AND FOR OTHER PURPOSES."

I do not know whether you have considered also this bill and whether there is a possibility of consolidating them into one bill because apparently, they relate to the same purpose.

SEN. PATERNO. I'm happy that Chairman Davide is here because perhaps, he can help the committee.

This bill, Mr. Chairman, the view is that people's organizations referred to in Sections 15 and 16 of Art. XIII are different from the non-government organizations...

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SEN. PATERNO....Article 13, are different from the non-government organizations which are referred to in another Article, I think it's Article II, of the Constitution, and the view put forward of this bill is that people's organization are basically community based organizations,

WHEREAS, non-governmental would be more of the nature of private voluntary organizations, which is the term used in the United Nations or associations which try to promote interest of the people but are not necessarily associations of the people themselves.

THE CHAIRMAN. In this connection, we have as our guests, who may want to say, I mean state of opinion in respect of this matter, Ms. Angela Pangan, from the Council of Welfare Agencies and Mr. Vergara, from the Federation of the Marikina Shoemakers Associations.

May we hear Ms. Pangan's views on this bill.

MS. PANGAN. Good Morning, *Senator.*

THE CHAIRMAN. Good Morning.

MS. PANGAN. I am representing the National Council of Social Development Foundation Inc., which is formerly the Council of Welfare Agencies Foundation of the Philippines. We would like to endorse very heartily the bill submitted by Sen. Paterno. However, we would like to present the following points:

The first is, we are endorsing it because it upholds the right of the people to organize themselves and participate in planning their own course of development;

Second, it provides for the institutionalization of a more simplified process of generating genuine and efficient people participation, at different levels of local and

national development planning in contrast to the present practice of "token and selective participation" due to ^{lack of} proper mechanism for such opportunity;

Third, the involvement of the people's organization in development planning will widen the base of decision making which may result to the emergence of indigenous leadership which meant- and ^{the} development of a new and political, social, and economic orientation among the people;

Fourth, the people's participation will provide a built in control mechanism against inefficiency, graft and corruption, and similar situations because of multi-sectoral planning, monitoring and evaluation of the development plan and projects;

Fifth, it will enable government to improve networking with people's organization and other non-governmental organization for collective effort towards nation building; and

Lastly, in the implementing rules, we would like to recommend a heavy stress on the need for equal participation especially for the grassroots people's organization who may not intellectually compete with elite organization of all level.

Also, we recommend that the people's organization or those who are mandated to represent them should likewise participate in preparing the implementing rules particularly those criteria for bona fide organizations; and

Lastly, we would like to ask the question, will there be a government lead agency, who would be the lead agency in the implementation of this law? Would it be NEDA? Would it be DLGCD or as implied in the bill the different line departments of the government. It would ^{be} effective if a definite governmental agency is mandated to take charge of

of this.

I would like also to clarify the position that we are presenting here this morning is on behalf of the 120 member agencies of the national council. Thank you.

THE CHAIRMAN. Now, you have likewise endorsed the bill of Sen. Aquino and that is 747, and these refers to non-governmental organization. Don't you see, I mean is there a duplication of these two bills or / they be consolidated into one or whatever?

MS. PANGAN. Thank you, Sen. Gonzales. May I present our views on Sen. Aquino's bill?

First, the registration, licensing and accreditation of private voluntary organizations of NGOs are provided for in the laws creating many/departments of the Executive Branch. As such, implementing rules and regulations have been formulated and issued for compliance of NGOs.

I would like to mention here, for example, the Republic Act/5416, that created the Department of Social Welfare;

Second, the creation of NGO Council, is truly counter productive and duplication of the current efforts of NGOs to self-organization within democratic principles. However, we strongly support the need for strengthening, on page 7 of the bill of Sen. Paterno, this right is assured by the way. So we would like to re-endorse the strengthening, coordination between GOs and NGOs through frequent consultations, dialogue through existing private network, organizations like the national - our council where government organizations participate as ex-officio members of the board.

For example, in the National Council and our National Council a representative of the Department of Social Welfare, Labor and National Economic Development Authority,

they sit as ex-officio members of the board.

Lastly, we recommend that instead of enacting another law, perhaps a thorough review of the existing laws and Executive Orders creating the various government agencies, each functions and efforts to strenghtent this collaboration, we would favor that.

On the other hand also, there are certain revisions in the Aquino bill, which we would ^{like} to support such as; the provisions for tax exemptions for NGOs or the travel tax. These are minor provisions however, but we would support this.

Perhaps we would look into the possibility of really merging those provisions in the Aquino bill that would support as well, because Sen. Paternos bill, involve basically the people's organization, and I would like also to clarify the people's organization in this regard.

Well, NGOs like us, non-governmental / organizations like us have affiliates people's organization mainly because they are the products of our efforts, of organizing, of development, of training.....

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MS. PANGAN... training and development activity. So, in our organization, we have already existing groups from the grassroots level. They are not registered in any of the government agencies nor are they recognized at the SEC, for example, but they are legitimate as far as promoting their own welfare, already starting advocacy activities in their own locality and we are very happy that a bill like this would be considered because this organization would then be strengthened and recognized and truly participate in their own development.

THE CHAIRMAN. Since it is viewed that there are already existing laws and implementing rules and regulations adopted by the various agencies of the government concerning non-governmental organizations and in a sense they are also people's organization, is there a possibility by which some of the features of Senate Bill No. 747 of Senator Aquino could be incorporated into the Paterno bill which is 745?

MS. PANGAN. However, Mr. Chairman, I would like to take note of the distinction between people's organization and private non-governmental organization. Within our rank, there are also different groups of NGOs. There are professional associations who are promoting mainly their own motivation, who are motivated by their own mission. There are also religious organizations. There are also those cause-oriented groups.

But the people's organization that I hope is being referred here would refer to really the people's organization in the villages, in the barangay level who are now being awakened by the mere organization efforts of NGOs like us in our member agencies, who are promoting the people's awareness of their own situations, of their rights in their own locality. So that, these people's organizations are usually attached to existing NGOs. So, these are two different entities that we are talking about.

THE CHAIRMAN. Senator Paterno.

SENATOR PATERNO. We have a difficulty, Mr. Chairman, in equating the people's organizations and the non-governmental organizations and in truth, many NGOs that are doing work in the communities are, in fact, directing their efforts towards building up people's organizations in those communities. They undertake social preparation so that the people will group into people's organizations and thereby empower them to exercise their rights.

I believe, Mr. Chairman, that perhaps we could talk about the role of NGOs which promote and help the formation of people's organizations and that would be probably a very welcomed addition to this bill.

In other words, if an NGO is exerting its efforts towards the formation of people's organizations and strengthening them and supporting them, then I think it really belongs in this bill. But I would hesitate to have non-governmental organizations of all sorts which would include Jaycees, Rotary Clubs and organizations like that given tax exemptions and other rights under legislation.

MS. PANGAN. I would like to take note, if I may refer, two weeks ago, we sat in a dialogue at the AIM with Governors and one of our colleagues in the NGO colleagues, Ging Velez, for example, in her opening remarks, had enumerated different groups of NGOs. So, perhaps, we could refer to that delineation that would help us in clarifying which NGOs would be classified as truly as supportive of the people's organization.

THE CHAIRMAN. I wish Senator Aquino were here. Although he sent his representative, the committee would prefer to hear him personally of his views on his own bill and, therefore, we withhold consideration of Senate Bill No. 745, unless there are specific instructions given by Senator Aquino for the guidance of this committee.

MS. SEVERINO. Yes, Mr. Chairman. The Senator has requested us to represent him here and he has authorized us to explain the basis of his bill.

I think one of the points that he wants to take up and I think Senator Paterno has brought it out is the fact that in our consideration of this bill, we brought into account that the NGOs and the people's organizations as you are referring to could really be interchangeable. We have looked at the mandate in the Constitution and we feel that the key mandates that we were looking into when we formulated this bill are with respect to the role of the NGOs and not abridging the right of the people and the NGOs to effectively and reasonably participate at all levels of social, political and economic decisions, encourage NGOs and facilitate by law the establishments of adequate consultation mechanisms between the government and NGOs.

We feel that there are two kinds of NGOs: community-based and sectoral-based. But we believe that an NGO maybe both community-based and sectoral.

NGOs, we feel, could work for the legitimate and collective interests of the people. At the same time, they are expected to promote the general welfare of the nation. So, we didn't find really any difference.

We have also consulted with some of the NGOs and we have also experienced working with some NGOs and, well, some of the problems that have arisen and these are some of the observations we have made are: NGOs are very sensitive about registration and accreditation because they are afraid of government dominance and abuse; NGOs, in general, are wary of government bureaucracy even if registration is equated merely with listing; NGOs do not want multiple registration. They have repeatedly brought our attention to their concern about having to be required to register; they are worried about consequences of non-registration or denial or

cancellation of certification of registration; they are wary of restrictive monitoring by the government.

On the other hand, when we consulted with government agencies that had been dealing with NGOs, they had brought to our attention that they would want to deal with qualified NGOs. The government would want to deal with NGOs in an organized and orderly manner and they would want to have the final say in decision making.

So, these were some of the points that we had to consider in formulating Senate Bill 747. But to us, we are very open to sitting with Senator Paterno and, in fact, Senators Mercado and Romulo who had submitted also a bill on NGO and probably sit together and consider the best features of each of the bill and come out with what is best for our country. That is only our concern - that we are able to enhance NGO and encourage more of the people's participation. Thank you, Mr. Chairman.

THE CHAIRMAN. We have not received the copies of the bill of Senator Romulo and Senator Mercado and that is why we have not placed them in our agenda. Probably, any time we will receive the same and we will invite all the authors...

MS. SEVERINO. Yes, Mr. Chairman.

THE CHAIRMAN... so that there would not be any duplication of work here.

MS. SEVERINO. Yes, Mr. Chairman.

THE CHAIRMAN. Would that be agreeable?

MS. SEVERINO. Thank you, Mr. Chairman.

THE CHAIRMAN. Now, Senator Paterno...

MR. CHAIRMAN. Sen. Paterno, can we hear first Mr. Vergara from the Federation of the Marikina Shoe Makers Association.

MR. VERGARA. Ang katotohanan po, wala akong position papers hinggil sa Senate bill na ito dahil kahapon lang ako nabigyan ng notice. Gayunpaman, ay narito po ako sapagkat inaakala ko na maaring magamit na itong batas na ito, 745 na in-author ni Sen. Paterno sa paglutas sa malubhang suliranin ng ating kabuhayan o ekonomiya.

Kaya po ako narito ay sapagkat ako po ay lumaki ako anak ng isang magsasapatos at nakita ko po ang hirap na dinaranas ngayon ng aking kababayan na gumagawa ng sapatos. Kaya po interesado akong magpartisipa at tumulong kung anuman ang maitutulong ko sa batas na ito.

Ang totoo po doon sa aming bayan, ang magsasapatos po ay sakal-sakal ng mga dayuhan. Kontrolado po nila ang materyales ng sapatos, kontrolado po nila ang market ng sapatos, at kontrolado pa rin nila ang financing ng magsasapatos. Kaya po ako narito baka sakaling magamit natin ito sa pagpapalakas ng mga kooperatiba, sapagkat inaakala ko na ang suliranin ng bansa ay hindi lamang nakikita sa magsasapatos. Ang kalagayan ng magsasapatos ay isa lamang maliit na halimbawa na nagaganap sa lahat halos ng industriya sa Pilipinas. Tayo'y sakal-sakal ng mga dayuhan. Kontrolado nila ang mga pamilihan, kontrolado nila ang presyo sa pagbili at kontrolado nila ang presyo sa pagbibili ng kalakal. Kaya

inaakala ko ang kooperatiba ang isang napakalakas na kasangkapan nating magagamit upang malutas itong mga suliraning ito.

Doon po sa amin, ay nagagawa po ng may tindahan ng materyales na itaas, kailan man at kanilang nanaisin ang presyo ng materyales. At nababayaran po naman ng mga tindahan, ng mga department store ng magsasapatos ng presyong gusto nilang bayaran. In other words, they control the price of materials and they control the price of the finished product.

So, in order to strive, to free the industry from this exploitation of this alien businessmen I have conceived of the establishment of Marikina Footwear Cooperative. So I am here hoping that maybe this can help in strenghtening cooperatives in the entire nation.

MR. CHAIRMAN. Mr. Vergara, in addition to Senate bill 745, there has been filed and is now pending with the Senate a cooperative's bill and this is authored by Sen. Pimentel, and this has been referred to by different committee. But anyway, we will the authors of this Senate bill 745 and 747 are here and they have heard the problems that you have brought about peculiar to the shoe industry of Marikina and probably they maybe able to help in those problems through these bills.

I do not know. I wonder. Any comment Sen. Paterno?

SEN. PATERNO. Mr. Chairman, ito po ang masasabi ko tungkol sa problem ng shoemakers, lao na ang maliliit. Kung magkakaroon tayo ng republic act na nagbibigay ng garantiya sa peoples organizations na sila ay mapakinggan sa bago magkaroon ng desisyon sa ibat-ibang mga bagay at kung rehistrado po ng Marikina Shoemakers Federation

bilang isang samahan ng magsasapatos sa Marikina, with the Department of Trade and Industry, palagay natin, bago gumawa ng bagong regulations ang Department of Trade and Industry tungkol sa pangagakakal sa sapatos, sa palagay natin, kailangan nila, according to this bill na magsangguni o tumawag sa Marikina Shoemakers upang mapakinggan ng Department of Trade and Industry ang mga suggestion ng mga taga Marikina Shoemakers Federation bago sila gumawa ng anumang bagong regulasyon, o bagong mga rekositos tungkol sa shoemaking or distribution of shoes. Kayat kahit hindi actually No. 1 or laan lamang sa cooperatiba ang bill na ito, 745, magbibigay ng karapatan tulad ng Marikina Shoemakers na makapagbigay ng karapatan tulad ng Marikina Shoemakers na makapagbigay ng kanilang kuro-kuro bago magkaroon ng ano mang desisyon na magaaffect sa kanilang industriya. So, in that way, the right of the people's organization in this case, the Marikina Shoemakers be heard and to participate before decisions are made in the field of shoe industry is guaranteed.

MR. VERGARA. I think we should be very grateful if this bill will be passed because it can help us.

SEN. PATERNO. Ngayon po naman kung wala tayong maliwanag na procedure kung sino ang kikilanling People's organization at wala taying registration procedure ay paano po naman malalaman ng Department of Trade and Industry kung sino ang dapat tawagin dito sa pagtatalakay ng isang problema tungkol sa shoe industry hindi po ba?

MR. VERGARA. Ang amin pong samahan Marikina Footwear Development Property ay registrado po sa

Securities and Exchange Commission. Iyon po ba ay nangangailangan ng panibabong rehistrasyon ayon sa inyong bill?

SEN. PATERNO. Hindi po. Kung registered na sa SEC kailangan na lang magregister kayo sa Department of Trade and Industry at ibang mga ahensiya ng gobyerno na tatalakay ng ibang problema ng shoe industry.

MR. VERGARA. Ginoong Chairman, maaari po bang malaman kung kailan ang public hearing ng bill ng Sen. Pimentel tungkol sa cooperatiba?

MR. CHAIRMAN. Siguro'y . . . Kung maaari lang bigyan ng notice si Mr. Vergara.

MRS. PANGAN. Puede kami rin po.

MR. CHAIRMAN. Also Mrs. Pangan.

MRS. PANGAN. Gusto ko lang bago po tayo magwakas sa sinabi ni Sen. Aquino, nais ko lamang bigyan diin na marami pong magagandang probisyon ang bill. Pero ang pangkalahatan na aming nais ipamukha dito ngayon kaming mga NGOs ay para bang nasasaklawan ng gobyerno. Kung ang gobyerno na naman ang mageoorganisa ng NGO council. Hayaan po lamang kami, na sa aming kakayahan as NGOs at mayroon po naman kaming kakayahan na magorganisa sa aming sarili at bigyan po lamang ng daan ang mga ahensiya ng gobyerno, the different line agencies, gaya ng OTI, gaya po ng Department of Social Welfare. Bigyan lang po kami ng daang malinaw na kung saan kami ay makikipag-ugnayan ng mahigpit.

Ang problema po natin ngayon ay iyan po hindi malinaw at saka po tila hindi po nagagampanan ang

kakayahan po ng ating mga ahensiya ng gobyerno ay hindi po umaabot doon sa kakayahan na mabibigyan talaga ang pakikipag-ugnayang ito ng NGOs.

Iyan po lamang at medyo po hindi maganda sa aming pananaw as NGO, iyon po bang kami, ang gobyerno ang mag-oorganisa. Hayaan po lamang kami.

THE CHAIRMAN. At any rate

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THE CHAIRMAN. ...At any rate, we will withhold consideration or hold in abeyance consideration of 747 and we will wait for the referral of the bills on the same matter subject of Sen. Romulo and Mercado, and then we will call a separate meeting for that.

In the meantime, Sen. Paterno, it seems that there is a universal endorsement of your bill, but on the other hand, there are some comments and suggestions made both by the Comelec and also the council, and if you have any desire to incorporate them into your bill, the committee would wait for your proposed amendments so that when we report out this bill, then we will report it out together with the proposed amendments. Will that be all right?

SEN. PATERNO. Thank you, Mr. Chairman. I will take advantage of your kind invitation to submit some amendments which are indicated by the discussion in this committee.

THE CHAIRMAN. So, therefore, insofar as this proposed Senate Resolution No. 183, Chairman Davide, the Comelec has endorsed it and it said that probably, we can take advantage of the practices and experiences in other countries?

MR. DAVIDE. Yes, Your Honor.

THE CHAIRMAN. But you did not indicate nor specify what are those practices, and would you favor the committee with...

MR. DAVIDE. We will do that, Your Honor.

THE CHAIRMAN. Because what makes it difficult in our country is that we write the names of the voters.

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Were this a partylist system of voting or block voting, madali iyan, e, di ba, iyong sa iba e, by symbol.

SEN. PATERNO. By symbol.

THE CHAIRMAN. By symbols, sometimes, by color of the balls that they take, but we will wait for that.

How soon can the Committee expect?

MR. DAVIDE. In ten days time, Your Honor.

THE CHAIRMAN. All right. So, insofar as No. 5, we have already approved a bill and that is one of the first bills that the Senators passed and I am the author of that particular bill, and I think, it's too late in the day for the Senate to act on this bill on the same matter of initiative and referendum, and I understand, that the House also is considering a bill on the same subject.

MR. DAVIDE. A much longer bill, Your Honor. It includes actually initiative and referendum even in the lower level.

THE CHAIRMAN. So that what would probably happen if is that/the House passes its bill then there will be a conference committee between the representatives of the Senate and of the House of Representatives, and if there is anything in this proposed bill that we may want to incorporate or propose during that meeting, we can do so at that time, but for the committee to report out again this bill, we cannot do that because this will be an endless cycle.

So, I think, we have finished our agenda...

Yes.

MS. SEVERINO. Mr. Chairman, just a point of

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clarification. Did I understand right that Senator Paterno will go ahead with Senate Bill 745 or should we consider the possibility of working out a consolidation of ^{the} 745, 747 and the other bills that are on NGOs?

THE CHAIRMAN. All right, we will give the authors of these bills on NGOs an opportunity to confer with Sen. Paterno with the hope that these bills could be consolidated.

MS. SEVERINO. In fact, Sen. Paterno, you have another bill coming up, 786.

SEN. PATERNO. Yes, I have, /786 on NGOs. That was separate, people's organization separately from NGOs.

MS. SEVERINO. Okay, thank you, Mr. Chairman.

THE CHAIRMAN. All right, so there being no other matters to consider, the Chair declares the meeting adjourned. Thank you so much. Thank you, Chairman Davide, thank you Ms. Pangan, thank you, Mr. Vergara and to the members of the committee for a very fruitful meeting.

The meeting was adjourned at 11:05 a.m.