

RECORD OF THE SENATE

WEDNESDAY, FEBRUARY 2, 2000

OPENING OF THE SESSION

At 3:31 p.m., Hon. Vicente C. Sotto III, acting as the Presiding Officer, called the session to order.

The Presiding Officer [Sen. Sotto]. The 55th session of the Senate in the Second Regular Session of the Eleventh Congress is hereby called to order.

We shall be led in prayer by the Senate President, the Hon. Blas F. Ople.

Everybody rose for the prayer.

PRAYER

Senator Ople.

Panginoong Mahal,

Lingapin Mo po ang mga senador na nagnanais magpasiya sa mga maseselang usapin ng aming panahon nang alinsunod sa Iyong binitiwang mga mahal na kataga at sa Iyong banal na kalooban, at walang alintana kundi ang kapakanan ng aming Inang Bayan.

Tulutan Mo po na manaog ang mapaghimalang diwa ng Espiritu Santo sa aming lahat upang maliwanagan tuwina ang aming mga kaisipan tungo sa tiyak na landas ng katotohanan, katwiran at katarungan sa ibabaw ng personal na kapakanan.

At gawin Mo po kaming daan ng Iyong katarungan at kapayapaan, at pagkalooban ng buhay na walang hanggan.

Salamat po, Panginoong Mahal.

Amen.

The Presiding Officer [Sen. Sotto]. The Majority Leader is recognized.

SUSPENSION OF SESSION

Senator Drilon. I move that we suspend the session for one minute, Mr. President.

The Presiding Officer [Sen. Sotto]. The session is suspended for one minute, if there is no objection. *[There was none.]*

It was 3:32 p.m.

RESUMPTION OF SESSION

At 3:33 p.m., the session was resumed with the Senate President, Hon. Blas F. Ople, presiding.

The President. The session is resumed.

ROLL CALL

The Secretary will please call the roll.

The Secretary, reading:

Senator Teresa Aquino-Oreta	Present
Senator Robert Z. Barbers	Present
Senator Rodolfo G. Biazon	Present*
Senator Renato L. Compañero Cayetano ...	Present
Senator Anna Dominique M.L. Coseteng ...	Present
Senator Franklin M. Drilon	Present
Senator Juan Ponce Enrile	Present
Senator Juan M. Flavier	Present
Senator Teofisto T. Guingona Jr.	Present
Senator Gregorio B. Honasan	Present
Senator Robert S. Jaworski	Present
Senator Loren B. Legarda-Leviste	**
Senator Ramon B. Magsaysay Jr.	Present
Senator John Henry R. Osmeña	Present
Senator Sergio R. Osmeña III	Absent ***
Senator Aquilino Q. Pimentel Jr.	Present
Senator Ramon B. Revilla	Present
Senator Raul S. Roco	Present
Senator Miriam Defensor Santiago	Present
Senator Vicente C. Sotto III	Present
Senator Francisco S. Tatad	Present
The President	Present

The President. With 19 senators present, there is a quorum.

The Majority Leader is recognized.

THE JOURNAL

Senator Drilon. Mr. President, I move that we dispense with the reading of the *Journal* of the previous session and consider it approved.

* Arrived after the roll call

** On official mission

*** On account of illness

I vote in the affirmative but with serious reservations and with a heavy heart.

First of all, Mr. President, I would like to join my distinguished colleagues who have spoken before me in commending the chairman of the Committee on Finance for his valiant effort in trying to give us a realistic budget.

But having said that, I would like to associate myself with the reservations expressed by our colleagues who have been compelled to vote against this budget. And I would like to focus on one central defect which has been alluded to by previous speakers and that is the effort to subject a large portion of this budget to the concurrence of or to prior consultations with concerned members of Congress.

Mr. President, this is an attempt to reduce the budget not simply to a huge pork barrel but to an entire mountain of pork, to a Mt. Everest of pork. And I do sincerely hope that the President in his wisdom will exercise his veto power to cleanse the budget of this execrable provision that was thrown in by members of the Lower House.

With those brief words, Mr. President, I reiterate my support for this budget.

Thank you very much.

Senator Drilon. Mr. President.

The President. The Majority Leader is recognized.

Senator Drilon. Mr. President, that finally terminates the votation and approval of the Conference Committee Report on House Bill No. 8374.

Mr. President, there is another conference committee report submitted to the Chamber.

SUSPENSION OF SESSION

But before we calendar for debates the said conference committee report, may I ask that we suspend the session for one minute, Mr. President.

The President. The session is suspended for one minute, if there is no objection. *[There was none.]*

It was 4:53 p.m.

RESUMPTION OF SESSION

At 4:54 p.m., the session was resumed.

The President. The session is resumed.

Senator Drilon. Mr. President.

The President. The Majority Leader is recognized.

CONFERENCE COMMITTEE REPORT ON

S.NO. 1851/H.NO. 8593

(Deferment of Imposition of VAT)

Senator Drilon. Mr. President, submitted to this Chamber is the Conference Committee Report on the disagreeing provisions of House Bill No. 8593 and Senate Bill No. 1851. Under our Rules, consideration of the Conference Committee Report is always in order once it is submitted to the Chamber. On that premise, I move that we now consider the Conference Committee Report on House Bill No. 8593 and Senate Bill No. 1851.

The President. Is there any objection? *[Silence]* There being none, the motion is approved.

Senator Drilon. Mr. President, may I ask that the chairman of the Committee on Ways and Means, Sen. Juan Ponce Enrile, be recognized to sponsor the Conference Committee Report.

The President. Sen. Juan Ponce Enrile is recognized.

REPORT OF SENATOR ENRILE

Senator Enrile. Mr. President, I have the honor to submit to the Chamber a Conference Committee Report on the disagreeing provisions of House Bill No. 8593, entitled

AN ACT IMPOSING THE VALUE-ADDED TAX ON CERTAIN SERVICES BEGINNING JANUARY 1, 2000, AMENDING FOR THE PURPOSE SECTIONS 3 AND 5 OF REPUBLIC ACT NO. 8424 AND FOR OTHER PURPOSES

and Senate Bill No. 1851, entitled

AN ACT TO FURTHER DEFER THE IMPOSITION OF THE VALUE-ADDED TAX ON THE TAXPAYERS SPECIFIED IN SECTION 17 (a) AND (b) OF REPUBLIC ACT NO. 7716, AS AMENDED BY REPUBLIC ACT NO. 8241 AND REPUBLIC ACT NO. 8424 AND FOR OTHER PURPOSES.

After meeting our counterparts from the House, Mr. President, and after having discussed the subject matter in full with them in a free conference, both sides agreed, and did agree, to recommend to their respective Houses that House Bill No. 8593, in consolidation with Senate Bill No. 1851, be approved in

accordance with the attached copy of the bill as reconciled and approved by the conferees.

Mr. President, the import of this measure is that services performed in the exercise of profession or calling subject to professional tax as provided for under Republic Act No. 7160, otherwise known as the Local Government Code of 1991, and professional services performed by registered general professional partnerships; actors, actresses, talents, singers, and emcees; radio and television broadcasters, choreographers; musical, radio, movie, television, and stage directors; and professional athletes, as well as the services rendered by banks, nonbank financial intermediaries, finance companies, and other financial intermediaries not performing quasi-banking functions, including services rendered by stock, real estate, commercial, customs, and immigration brokers are deferred until January 1, 2001, subject to the condition that in the case of real estate brokers, stockbrokers, commercial brokers, customs and immigration brokers, instead of paying 10 percent on the value-added tax, they will now pay a 7 percent tax on their gross receipts from brokering services.

In the case of banks, the taxpayers rendering services mentioned under paragraphs (a) and (b) of this measure shall pay the applicable taxes prescribed under the pertinent provisions of the National Internal Revenue Code, as amended, meaning, their current professional tax in the case of professionals, and in the case of banks, the gross receipts tax.

When we computed the total revenue of the government from all types of brokers which are included in this deferment up to January 1, 2001, the total revenue from this source is about P400 million. The base of this tax, as I said, is the value added on every transaction with the tax rate of 10 percent thereon. On the other hand, they are now turned back under their original treatment where they pay 7 percent on the gross.

I think it is safe to say that this 7 percent on the gross is far bigger than the 10 percent on the value added. If there is any decrease, the decrease would be very minimal. So, I submit to the consideration of the Chamber this Bicameral Conference Committee Report. We have to agree to this in order to settle this matter once and for all because time is passing by and we have to lay this matter to rest.

Senator Drilon. Mr. President.

The President. The Majority Leader is recognized.

Senator Drilon. Mr. President, Sen. Teofisto T. Guingona Jr. wishes to raise questions to the sponsor.

The President. Sen. Teofisto T. Guingona Jr. is recognized.

Senator Guingona. Thank you, Mr. President. Will the distinguished sponsor yield for some questions?

Senator Enrile. Yes, Mr. President.

Senator Guingona. Are we to understand then that in all those mentioned including professionals, real estate brokers, immigration brokers, for a period up to January 1, 2001, VAT will not be imposed upon them?

Senator Enrile. They will not be subject to value-added tax, just like professionals, banks and semi-banking institutions. But they will be subject to a 7 percent tax rate on the gross.

Senator Guingona. Who is subject to 7 percent?

Senator Enrile. The brokers, without any deductions.

Senator Guingona. Yes, Mr. President. On January 1, they will be subject to VAT.

Senator Enrile. On January 1, 2001, they will all be subject to VAT.

Senator Guingona. Mr. President, VAT originally was intended for manufacturers and producers. Basically, professionals did not have any input to deduct from them the 10 percent VAT.

Senator Enrile. They have no input tax, Mr. President, but they have a value added.

Senator Guingona. That is why, could we not have a review during the suspensive period of one year concerning the professionals, and also as far as the brokers are concerned, which would be more equitable for them?

Senator Enrile. That is precisely the purpose of the postponement in the first place so that it will give us time to review the policy issue. We are precisely urging the Department of Finance to submit to us its proposed tax treatment of these persons now whose inclusion in the coverage of the value-added tax is deferred.

Senator Guingona. I heard the distinguished sponsor say that as far as the brokers are concerned, they will now be paying the 7 percent.

Senator Enrile. That is right, Mr. President, and so are the professionals and the banks. They are paying their normal tax under the Internal Revenue Code.

Senator Guingona. And the estimates are more than the value added?

Senator Enrile. My own personal estimate is that it could be more. The 7 percent on the gross without any deduction is bigger than 10 percent of the value added with deductions.

Senator Guingona. Then the study should include whether to continue with that or to impose a VAT. Because, for me, VAT should not really be imposed upon professionals, Mr. President.

That is all. Thank you.

Senator Enrile. Thank you, Mr. President.

Senator Drilon. Mr. President.

The President. The Majority Leader is recognized.

Senator Drilon. Sen. John H. Osmeña wishes to ask a few questions.

Senator Enrile. By all means, Mr. President.

The President. Sen. John H. Osmeña is recognized.

Senator J. Osmeña. Thank you, Mr. President.

I note here that the paragraph was bracketed from the word "the" to the word "as amended". If I recall right, this is an administration bill. The intention was simply to extend the effectivity by another year for the VAT on banks. Is that correct, Mr. President.

Senator Enrile. That is correct, Mr. President. Unfortunately, the House of Representatives, where the original bill emanated, crafted a bill which was entitled, "An Act Imposing the Value-Added Tax on Certain Services Beginning January 1, 2001..." It was not really a deferment. So we had to marry our own version of the bill and its version.

Because of the insistence of the House on its version and after we calculated the impact of its proposal on the revenue of the government, we acceded to the version of the House in order to finish this whole thing. In my calculation, the revenue impact or the revenue loss, if at all, would be very minimal.

Senator J. Osmeña. Because the representation of then secretary of the Department of Finance, Secretary Espiritu, and other authorities we heard from in the BIR is that the incremental revenue—it is not really a loss because we did not impose the tax here—would have been about P13 billion. Instead, P11 billion as

currently collected and P24 billion are as they expected. Although I hear the reservations as to the correctness of their expectations.

Senator Enrile. That is with respect to the banks, Mr. President.

Senator J. Osmeña. Yes, Mr. President.

Senator Enrile. Yes. The estimated revenue from the banking sector, if we enforced the value-added tax as we envisioned it beginning the first day of this year, was something like P26 billion. If we deduct from that their gross receipts tax now, which is, I think, approximately P13 billion or P14 billion or thereabouts, there is a potential revenue loss of between P12 and P13 billion.

On the other hand, Mr. President, the reason we acceded for a further deferment of the imposition of the value-added tax on banks was that the government requested us to do so because it wants to study the policy issue here. To impose the VAT on banks at this time, first, it is a very difficult exercise because we do not have the experience for it and I think the implementing rules are not yet well-devised. More than that, it could trigger an upward movement of the interest rate. I do not think our businessmen could afford to carry the additional burden of this tax, especially in our present economic climate where we are having some difficulties.

Senator J. Osmeña. In any case, Mr. President, that is only as far as banks are concerned.

Senator Enrile. That is correct, Mr. President.

Senator J. Osmeña. In the case of brokers, what would be the effect? Would there be a revenue loss?

Senator Enrile. As I told the distinguished gentleman, Mr. President, when we met in the Bicameral Conference Committee, the records shown to me... I would like to state, for the record, that in the case of immigration brokers, the collection is zero. There is no revenue loss because we are not collecting any amount from immigration brokers.

In the case of stockbrokers, the amount is only very minimal. It is not even P2 million from that sector. In the case of customs brokers, I think they are paying about P6 million a year. And in the case of commercial brokers, very few millions. The bulk of the P400 million, Mr. President, is coming from the real estate sector, the real estate brokers. I understand that the real estate brokers were classified also as professionals by a ruling of the Bureau of Internal Revenue. This was my information.

Be that as it may, I was insisting that they should be treated not as professionals but as real estate brokers. But the House panel insisted that if we are going to consider customs brokers and immigration brokers as professionals—because they take and pass an examination to become brokers, and they are indeed professionals, they pay their license fees as professionals—then we should include real estate brokers. This was the discussion.

So in order to resolve the issue, I asked for information regarding the revenue contribution of these kinds of brokers to the government. As I told the distinguished gentleman, the aggregate amount is about P400 million, mostly coming from the real estate sector. When I asked at what rate they are going to be taxed if we will lift the application of the VAT on them, I was told that it was 7 percent on the gross. And with a quick calculation, I felt that 7 percent is more than enough to compensate for the revenue loss.

Senator J. Osmeña. Assuming, Mr. President, that they have deductions on the 10 percent VAT. Because a real estate broker may have no deduction on his VAT. I do not know, but that is an assumption which we are making when we say that 7 percent of gross is higher than 10 percent of gross.

In any case, Mr. President, my concern really here is the revenue loss. I mean, we have just gone through the wringer. Three months of difficult work with the budget and a loss of P13 billion, incidentally, would have avoided us a lot of controversy because that would have been even greater than the deferment of the IRA.

Senator Enrile. Assuming the worse condition, Mr. President, that indeed they have no deductible inputs from the tax base of the 10 percent VAT, the loss, if at all, would be about approximately P120 million. That is 30 percent of P400 million. But I suspect that they have deductible inputs. Because they can deduct from their tax base the equipment, repairs, and so forth and so on.

Senator J. Osmeña. In any case, Mr. President, the bottom line here is that we will have a year until 2001. Now, in 2001, the banks, we expect, will now be subjected to VAT. We know that the banks in this country are notorious. They make oodles of money, fortunes even when the rest of the country is suffering. I do not know of any bank, Mr. President, even in the 1990s.

In any case, assuming that we are fortunate and we succeed in taxing the banks, what will happen, Mr. President, to all of these other types of taxpayers that are now being deferred?

Senator Enrile. They will also be taxed, Mr. President.

Senator J. Osmeña. They will all be taxed, Mr. President.

Senator Enrile. Yes. Starting January 1 next year, if we do not do anything, they will all be taxed.

I assure the distinguished gentleman that I am not disposed to support any further extension. I was against extending the imposition of VAT on the banks when we considered the revision of the present Internal Revenue Code. But the Ramos administration pleaded with us that we should consider extending the imposition of the VAT on the banks because they were not ready with the implementing rules. This was the representation to me then of the Department of Finance.

And so I acceded, but I was the one responsible in including this postponement of the VAT on professionals, because they were in *pari passu*. So, the imposition of VAT on professionals were postponed alongside with the banks.

The officials of the Department of Finance informed me that they are now adopting what they call, for brevity, a FIT tax system for banks—Financial Institution Tax, or something like that.

I would like to hear them and give them a chance to present to us this proposal. So they have from now until the last quarter of the year to inform us. Because if we enter the last quarter and they do not give us their proposal, I doubt whether we can finish the debate to enact the law at that time. It will be already political year and everybody will be very busy for the elections.

Senator J. Osmeña. In any case, Mr. President, it is correct as the distinguished sponsor pointed out, even if I was late, we discussed this in the Bicameral Conference Committee. But I just brought this to the floor so that the Record will reflect this concern.

Senator Enrile. I understand the concern of the distinguished gentleman, and I share his concern. Unfortunately, we were pressed for time. That was my main objection to this measure because this came to us just right before we went on an adjournment.

In fact, I conducted a hearing even before the measure was referred to my committee.

Senator J. Osmeña. In any case, Mr. President, I just wanted to register my concern on the question of revenue laws, and also to reflect my lack of sympathy for a sector in our society that has been notorious from the days of Shylock when he extracted his pound of flesh.

Thank you, Mr. President.

Senator Enrile. Thank you, Mr. President. Well-put.

Senator Drilon. Mr. President.

The President. The Majority Leader is recognized.

APPROVAL OF CONFERENCE COMMITTEE REPORT
ON S. NO. 1851/H. NO. 8593

Senator Drilon. Mr. President, may I now move for the approval of the Bicameral Conference Committee Report on the disagreeing provisions between House Bill No. 8593 and Senate Bill No. 1851.

The President. It is now submitted to the Chamber. Is there any objection? *[Silence]* There being none, the motion is approved.

The following is the whole text of the conference committee report:

CONFERENCE COMMITTEE REPORT

The Conference Committee on the disagreeing provisions of House Bill No. 8593, entitled

AN ACT IMPOSING THE VALUE-ADDED TAX ON CERTAIN SERVICES BEGINNING JANUARY 1, 2001, AMENDING FOR THE PURPOSE SECTIONS 3 AND 5 OF REPUBLIC ACT NO. 8424 AND FOR OTHER PURPOSES

and Senate Bill No. 1851, entitled

AN ACT TO FURTHER DEFER THE IMPOSITION OF THE VALUE-ADDED TAX ON THE TAXPAYERS SPECIFIED IN SECTION 17 (a) AND (b) OF REPUBLIC ACT NO. 7716, AS AMENDED BY REPUBLIC ACT NO. 8241 AND REPUBLIC ACT NO. 8424 AND FOR OTHER PURPOSES,

after having met and discussed the subject matter in full and free conference, has agreed and does hereby recommend to their respective Houses that House Bill No. 8593, in consolidation with Senate Bill No. 1851, be approved in accordance with the attached copy of the bill as reconciled and approved by the conferees.

Approved,

CONFEREES ON THE PART OF THE
SENATE OF THE PHILIPPINES:

(Sgd.) HON. JUAN PONCE ENRILE

(Sgd.) HON. GREGORIO B. HONASAN

(Sgd.) HON. RAUL S. ROCO

(Sgd.) HON. JUAN M. FLAVIER

HON. JOHN H. OSMEÑA

(Sgd.) HON. ROBERT Z. BARBERS

CONFEREES ON THE PART OF THE
HOUSE OF REPRESENTATIVES:

(Sgd.) HON. DANILO E. SUAREZ

(Sgd.) HON. HERMINIO G. TEVES

(Sgd.) HON. JOEY SARTE SALCEDA

(Sgd.) HON. JESLI A. LAPUS

(Sgd.) HON. EDGAR R. LARA

(Sgd.) HON. FELICIANO R. BELMONTE JR.

(Sgd.) HON. AMELITA A. VILLAROSA

HON. SIMEON A. DATUMANONG

HON. MANUEL M. GARCIA JR.

(Sgd.) ROLANDO G. ANDAYA JR.

AN ACT IMPOSING THE VALUE-ADDED TAX ON CERTAIN SERVICES BEGINNING JANUARY 1, 2001, AMENDING FOR THE PURPOSE SECTION 5 OF REPUBLIC ACT NO. 8424 AND FOR OTHER PURPOSES

Be it enacted by the Senate and House of Representatives of the Philippines in Congress assembled:

SECTION 1. Section 5 of Republic Act No. 8424 is hereby amended to read as follows:

"SEC. 5. *Transitory Provisions.* - [Deferment of the] Effectivity of the Imposition of VAT on Certain Services. - [The effectivity of the imposition of the value-added tax on services as prescribed in Section 17(a) and (b) of Republic Act No. 7716, as amended by Republic Act No. 8241, is hereby further deferred until December 31,

1999, unless Congress deems otherwise: *Provided*, that the said services shall continue to pay the applicable tax prescribed under the present provisions of the National Internal Revenue Code, as amended.] THE IMPOSITION OF THE VALUE-ADDED TAX ON THE FOLLOWING SERVICES SHALL TAKE EFFECT ON JANUARY 1, 2001:

(A) SERVICES PERFORMED IN THE EXERCISE OF PROFESSION OR CALLING SUBJECT TO THE PROFESSIONAL TAX AS PROVIDED FOR UNDER REPUBLIC ACT NO. 7160, OTHERWISE KNOWN AS THE LOCAL GOVERNMENT CODE OF 1991, AND PROFESSIONAL SERVICES PERFORMED BY REGISTERED GENERAL PROFESSIONAL PARTNERSHIPS; ACTORS, ACTRESSES, TALENTS, SINGERS, AND EMCEES; RADIO AND TELEVISION BROADCASTERS, CHOREOGRAPHERS; MUSICAL, RADIO, MOVIE, TELEVISION, AND STAGE DIRECTORS; AND PROFESSIONAL ATHLETES;

(B) SERVICES RENDERED BY BANKS, NON-BANK FINANCIAL INTERMEDIARIES, FINANCE COMPANIES, AND OTHER FINANCIAL INTERMEDIARIES NOT PERFORMING QUASI-BANKING FUNCTIONS;

(C) SERVICES RENDERED BY STOCK, REAL ESTATE, COMMERCIAL, CUSTOMS, AND IMMIGRATION BROKERS: *PROVIDED*, THAT, FOR THE YEAR BEGINNING JANUARY 1 UP TO DECEMBER 31, 2000, THE AFOREMENTIONED BROKERS SHALL, IN LIEU OF THE VALUE-ADDED TAX PRESCRIBED UNDER TITLE IV OF THE NATIONAL INTERNAL REVENUE CODE OF 1997, BE SUBJECT TO A TAX EQUIVALENT TO SEVEN PERCENT (7%) BASED ON GROSS RECEIPTS FROM BROKERING SERVICES WHICH SHALL BE PAID IN THE MANNER AND IN ACCORDANCE WITH THE PROVISIONS OF TITLE V OF THE SAID CODE: *PROVIDED, FURTHER*, THAT BEGINNING JANUARY 1, 2001, THE AFOREMENTIONED BROKERS SHALL BE SUBJECT TO THE VALUE-ADDED TAX, IN LIEU OF THE SEVEN PERCENT (7%) TAX.

THE TAXPAYERS RENDERING SERVICES MENTIONED UNDER PARAGRAPHS (A) AND (B) HEREOF, SHALL PAY THE APPLICABLE TAXES PRESCRIBED UNDER THE PERTINENT PROVISIONS OF THE NATIONAL INTERNAL REVENUE CODE, AS AMENDED.

SEC. 2. *Implementing Rules and Regulations.* - The Secretary of Finance shall, upon the recommendation of the Commissioner of Internal Revenue, promulgate the necessary rules and regulations for the effective implementation of this Act.

SEC. 3. *Repealing Clause.* - All laws, decrees, orders, issuances, rules and regulations and other issuances or parts thereof inconsistent with this Act are hereby repealed or modified accordingly.

SEC. 4. *Effectivity.* - This Act shall take effect on January 1, 2000.

Approved,

Senator Pimentel. Mr. President.

The President. Sen. Aquilino Q. Pimentel Jr. is recognized.

EXPLANATION OF VOTE OF SENATOR PIMENTEL

Senator Pimentel. Yes. May I register my vote, for the record, Mr. President.

I was told a few minutes ago that the first law prescribing VAT on certain services was enacted in 1987 and made effective in 1988.

Today, we are in the 12th year of the implementation of this law. Therefore, I cannot, for the life of me, understand why the excuse that the rules and regulations have not yet been formulated. That statement seems to be the reason why this VAT law is being, time and again, extended. I mean, the exemptions are to be extended to the parties mentioned in this report of the Bicameral Conference Committee.

Mr. President, with much regret, I would like to vote no to this Conference Committee Report because the banking system has been treated with kid gloves by the past and present administrations. For obvious reasons, the banking community has a very strong clout and has been "pampered" in the words of Senator Enrile although he did not say that when he

sponsored his bill. I am quoting him now because I just heard him. *[Laughter]*

For that reason, I think that this bill should be rejected by the Senate and I vote *no* to it.

Senator Osmeña (J.). Mr. President.

The President. Senator J. Osmeña is recognized.

**MANIFESTATION OF SENATOR J. OSMEÑA
(Reiteration of His No Vote re Conf. Cttee. Report
on S. No. 1851/H. No. 8593)**

Senator J. Osmeña. Mr. President, I did not categorically state my vote, although I presume that anybody who would read my remarks would discern it. For the purpose of clarity, I also vote *no* to the Conference Committee Report.

Senator Drilon. The record reflects two negative votes, Mr. President.

The President. The Bicameral Conference Committee Report is hereby approved with those manifestations.

SUSPENSION OF SESSION

Senator Drilon. Mr. President, I move that we suspend the session for one minute.

The President. The session is suspended, if there is no objection. *[There was none.]*

It was 5:22 p.m.

RESUMPTION OF SESSION

*At 5:23 p.m., the session was resumed with Senator Juan M. Flavie*r presiding.

The Presiding Officer [Sen. Flavier]. The session is resumed.

Senator Drilon. Mr. President, may I ask the Secretary to read the Reference of Business.

The Presiding Officer [Sen. Flavier]. Is there any objection? *[Silence]* There being none, the motion is approved.

The Secretary will please read the Reference of Business.

REFERENCE OF BUSINESS

MESSAGES FROM THE HOUSE OF REPRESENTATIVES

The Secretary.

January 25, 2000

The Honorable
BLAS F. OPLE
President of the Senate
Financial Center
Pasay City 1308

Mr. President:

I have been directed to inform the Senate that the House of Representatives on January 24, 2000 passed House Bill No. 809, entitled

**AN ACT AUTHORIZING THE LOCAL
GOVERNMENT OF ILOILO CITY TO SELL,
ALIENATE OR LEASE THE ILOILO CITY
PARK,**

to which it requests the concurrence of the Senate.

Very truly yours,

(Sgd.) ROBERTO P. NAZARENO
Secretary General

The Presiding Officer [Sen. Flavier]. Referred to the Committee on Local Government

The Secretary.

January 25, 2000

The Honorable
BLAS F. OPLE
President of the Senate
Financial Center
Pasay City 1308

Mr. President:

I have been directed to inform the Senate that the House of Representatives on January 24, 2000 passed House Bill No. 1871, entitled

AN ACT RECLASSIFYING THE BASCO-