

RECORD OF THE SENATE

TUESDAY, JANUARY 11, 2000

OPENING OF THE SESSION

At 3:33 p.m., the Senate President, Hon. Blas F. Ople, called the session to order.

The President. The second session of the Senate in the Second Special Session of the Eleventh Congress is hereby called to order.

We shall be led in prayer by Sen. Renato L. Compañero Cayetano.

Everybody rose for the prayer.

PRAYER

Senator Cayetano. *Let us bow our heads as we pray in the presence of our Lord.*

Dear Lord, as we face the new millennium, remind us always that we are Your servants on earth to do Your Will.

Give us then a discerning and unbiased mind to enable us to know the difference between good and evil, between truth and falsehood;

Give us a strong and caring heart, particularly in dealing with the problems affecting the poor and the underprivileged;

Give us an even hand and a strong will to do justice to every man, particularly those who have no access to wealth, influence or power;

Give us the wisdom of a Solomon to know what is right and the strength of a Samson to do what is right.

All these, O Lord, we seek thee as Your servants on earth, Your faithful servants.

Amen.

ROLL CALL

The President. The Secretary will please call the roll.

The Secretary, reading

Senator Teresa Aquino-Oreta	Absent
Senator Robert Z. Barbers	Present
Senator Rodolfo G. Biazon	*
Senator Renato Compañero L. Cayetano ..	Present
Senator Anna Dominique M. L. Coseteng .	Present
Senator Franklin M. Drilon	Present
Senator Juan Ponce Enrile	Present
Senator Juan M. Flavio	Present
Senator Teofisto T. Guingona Jr.	Present
Senator Gregorio B. Honasan	Present
Senator Robert S. Jaworski	Present
Senator Loren B. Legarda-Leviste	Absent
Senator Ramon B. Magsaysay Jr.	Absent
Senator John Henry R. Osmeña	Present
Senator Sergio R. Osmeña III	Present
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 18 senators present, there is a quorum.

THE JOURNAL

Senator Drilon. Mr. President, I move that we dispense with the reading of the *Journal* of Session No. 1 on Monday, January 10, 2000 and consider it approved.

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

Senator Drilon. I move that we proceed to the Reference of Business.

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

The Secretary will now read the Reference of Business.

*On official mission

The Secretary. Resolution No. 183, c.s., of the Sangguniang Panlalawigan of South Cotabato, requesting Congress to scrap or repeal the Oil Deregulation Law.

The President. Referred to the Committee on Energy

The Secretary. Resolution No. 99-514-A, c.s., of the Sangguniang Panlalawigan of Leyte, requesting Congress to pass a bill granting Region VIII preferential lower power rates.

The President. Referred to the Committee on Energy

The Secretary. Resolution No. 99-542, c.s., of the Sangguniang Panlalawigan of Benguet supporting the position paper of the NAPOCOR Employees and Workers Union-Northern Luzon.

The President. Referred to the Committees on Government Corporations and Public Enterprises; and Energy

The Secretary. Letter from Conchita L. Maglasang, Secondary School Principal II of the Opol National Secondary Technical School, Opol, Misamis Oriental, submitting to the Senate the Statement of Cumulative Allotments, Obligations Incurred and Balances; Detailed Statement of Cumulative Obligations Incurred; and Report on the Result of Expended Appropriations for the quarter ending September 1999.

The President. Referred to the Committee on Finance

The Secretary. Letter from Deputy Governor and General Counsel Armando L. Suratos of the Bangko Sentral ng Pilipinas, furnishing the Senate a copy of Bangko Sentral Circular No. 221, Series of 1999, dated December 24, 1999 in compliance with Section 15(a) of Republic Act No. 7653.

The President. Referred to the Committee on Banks, Financial Institutions and Currencies

The Majority Leader is recognized.

Senator Drilon. Mr. President, may I ask the Chair to recognize Sen. Sergio R. Osmeña III.

The President. Sen. Sergio R. Osmeña III is recognized.

**MANIFESTATION OF SENATOR OSMEÑA (S)
(Withdrawing as Principal Author of S. No. 1519)**

Senator Osmeña III. Mr. President, may I manifest my desire to withdraw as the principal author of Senate Bill No. 1519, entitled: "AN ACT PROVIDING FOR THE REGULATION OF

THE ORGANIZATION AND OPERATIONS OF BANKS, QUASI-BANKS, TRUST ENTITIES AND FOR OTHER PURPOSES."

The reason being that a bill which I had filed earlier and antedated the main bill which was filed by Senator Drilon only contained one amendment to the existing law. It would be unfair to Senator Drilon if I took credit for the entire bill.

I would like to manifest my desire to withdraw as one of the authors of Senate Bill No. 1519.

The President. The withdrawal is noted and approved.

**BILL ON SECOND READING
S. No. 1851—Deferment of Imposition of VAT
(Continuation)**

Senator Drilon. Mr. President, as we manifested before we adjourned our session yesterday, we will resume consideration of Senate Bill No. 1851 for this afternoon's session.

Mr. President, I move that we resume consideration of Senate Bill No. 1851 as reported out under Committee Report No. 166.

The President. Is there any objection? *[Silence]* There being none, resumption of consideration of Senate Bill No. 1851 is now in order.

Senator Drilon. Mr. President, may I ask the Chair to recognize the principal sponsor, Sen. Juan Ponce Enrile, for the period of interpellations.

The President. Sen. Juan Ponce Enrile is recognized.

**MANIFESTATION OF SENATOR DRILON
(Explaining the Thrust of Committee Report
No. 166 on S. No. 1851)**

Senator Drilon. Before I ask the Chair to call on the Minority Leader who had the floor yesterday during the period of interpellations, I wish to make of record that this afternoon we had a conference with the Minority Leader and clarified a number of issues which were the subject of interpellations yesterday. We did agree with the Minority Leader that after reviewing the two versions, House Bill No. 8593 and Senate Bill No. 1851 under Committee Report No. 166 of this Chamber, the subject is really on the extension of the exemption of certain groups from the application of the VAT—this is the suspension of one year.

Both the House and the Senate versions seek to extend the period of exemption from the VAT coverage of banks, nonbank financial intermediaries, et cetera, and the professionals, et cetera under Section 17, paragraphs (a) and (b) of Republic Act No. 7716 as amended by Republic Act No. 8424. Both versions propose a one (1) year extension of the VAT exemption. There is one basic difference, and that is the issue of the stock brokers, real estate brokers, the customs commercial brokers, and immigration brokers which the House also seeks to be exempted from the coverage of the VAT for a period of one year.

We have therefore explained to the Minority Leader the basic thrust of the committee report and, on that premise, we now ask the Chair to recognize Sen. Teofisto T. Guingona Jr. for the continuation of the period of interpellations.

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

Senator Guingona. Thank you, Mr. President.

We affirm the manifestations of the distinguished Majority Leader, but I would like to pursue the interpellations as I think there are certain items that need further clarifications. With the permission of the distinguished sponsor, may we pursue the matter.

Senator Enrile. With pleasure, Mr. President.

Senator Guingona. The proposed bill, Senate Bill No. 1851, seeks to exclude or to defer the imposition of value-added tax in Section 17, paragraphs (a) and (b) of Republic Act No. 7716 as amended by Republic Act No. 8241 and Republic Act No. 8424.

Republic Act No. 8241 amends Section 17, paragraphs (a) and (b) of Republic Act No. 7716 by simply deferring the effectivity of the value-added tax from 1998 to the end of 1999, would that be correct?

Senator Enrile. Just a minute, Mr. President. That is correct, Mr. President.

Senator Guingona. Whereas, Republic Act No. 8424 amends Section 17, paragraphs (a) and (b) of Republic Act No. 7716 by expanding the coverage of the services mentioned in Republic Act No. 7716, is this correct?

Senator Enrile. That is correct, Mr. President. At the same time, it deferred further the imposition of the value-added tax on professionals which are mentioned in paragraph (a) of Section 17 of Republic Act No. 7716, as well as the services rendered by banks, nonbank financial intermediaries, finance companies and

other financial intermediaries not performing quasi-banking functions up to the end of December 31, 1999.

Senator Guingona. Specifically Section 198 of Republic Act No. 8424, expanded the value-added tax on sale of services and use or lease of properties.

Would that be correct, Mr. President?

Senator Enrile. Mr. President, it expanded the coverage of the value-added tax to embrace practically all services sold to the public except for those covered by paragraphs (a) and (b) of Republic Act No. 7716.

Senator Guingona. May we be privileged to find out where the exception is contained?

Senator Enrile. That is found in Section 5. In Title XIV, the Final Provisions of the Comprehensive Tax Reform Program, Section 292, dealing with the Separability Clause, it says:

If any clause, sentence, paragraph or part of this Code shall be adjudged by any Court of competent jurisdiction to be invalid, such judgment shall not affect, impair or invalidate the remainder of said Code but shall be confined in its operation to the clause, sentence, paragraph or parts thereof directly involved in the contrary.

Section 4. The Secretary of Finance shall, upon the recommendation of the Commissioner of Internal Revenue, promulgate and publish the necessary rules and regulations for effective implementation of this Act.

Section 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 Sections 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.

Senator Guingona. So that if we amend or approve this measure being sponsored by the distinguished gentleman, we will not include in the deferment the other services, use or lease of properties embodied in Section 108?

Senator Enrile. That is correct, Mr. President. Those that are now paying the VAT will not be included in the deferment

because they are already paying the VAT. If we include any other group, then that will no longer be a deferment of applicability of the VAT to them but we will, in effect, be doing an act of exempting them from the VAT during the duration of the period that we will authorize.

Senator Guingona. So that paragraphs (a) and (b) would refer not only to banks but to professions also?

Senator Enrile. That is correct, Mr. President.

Senator Guingona. But the House version would include stocks, services performed by stocks?

Senator Enrile. That is correct.

Senator Guingona. Real estate, commercial...

Senator Enrile. The gentleman is correct, Mr. President, because these stock brokers, real estate brokers, commercial brokers, customs brokers, immigration brokers and professional services performed by registered general professional partnerships are now covered by the VAT. That is my recollection. But what happened in the case of the bill passed by the House, namely, House Bill No. 8593 was it, in effect exempted this kind of services from the VAT although these brokers are now subject to the VAT. They are not deferred under the Comprehensive Tax Reform statute which is Republic Act No. 8424.

Senator Guingona. May we know the reason the first deferment was made in 1998 by Republic Act No....

Senator Enrile. At that time, Mr. President, there was a strong pressure on the part of the Finance Department to totally exempt this kind of services from the VAT. But this representation resisted on the ground that since the original law contemplated that these services must be subjected to VAT, it is unfair that they should not be subjected. Then later on, we agreed to defer them up to the end of December 31, 1999, precisely to give the Finance Department time to submit to us a counterproposal to impose a system of taxation on these people that would not mean a loss of revenue to the government. That has not been done because of the changes in the personnel of the Finance Department, and inability of the new people to come up with a well-studied policy. So they requested for a further deferment for one year so that they could now submit a comprehensive restructuring of the tax system that would govern the services rendered by banks and other similar organizations without any possible loss of revenue to the government.

Senator Guingona. May we know the reason the deferment was also extended to professionals?

Senator Enrile. It was the decision of this representation that if we are going to defer the...

Senator Guingona. I mean in 1998.

Senator Enrile. That is correct, Mr. President. I was the one who authored the Comprehensive Tax Reform Program.

Senator Guingona. I am sorry.

Senator Enrile. If we are going to defer the banks, then we must defer also the professionals because they are in *pare passu*.

Senator Guingona. Was it for the same reason as the banks?

Senator Enrile. No, Mr. President. I just took the position that professionals ought to be deferred.

Senator Guingona. What about the other services then that the gentleman mentioned?

Senator Enrile. They were already at that time subjected or some of them opted to be subjected because it was to them more advantageous to be placed under the VAT.

Senator Guingona. No, that was 1998. The other services were still not subject to VAT.

Senator Enrile. That is correct, Mr. President.

Senator Guingona. What was the reason then? May we be favored by the explanation as to why the coverage was deferred to 1999?

Senator Enrile. For the two groups?

Senator Guingona. No, the other services.

Senator Enrile. We decided to include the other services already under the VAT, Mr. President, and lifted the...

Senator Guingona. Is it our understanding that stock brokers, real estate, commercial, customs and immigration brokers were already covered by the VAT even in 1999?

Senator Enrile. Mr. President, the people who were not covered when the Comprehensive Tax Reform Program was adopted were those covered by paragraphs (a), (b), and (c), if I remember correctly. Those covered by paragraph (c) were included when the Comprehensive Tax Reform Program was adopted.

The only two remaining whose noncoverage was extended were those under paragraphs (a) and (b) of Republic Act No. 7716.

Senator Guingona. Section 108 of the Tax Reform Act, Republic Act No. 8424, mentions stock, real estate, commercial, customs, and immigration brokers as well as other services to be subject to VAT.

Senator Enrile. Mr. President, the VAT on banks will mean P24 billion of income to the government. But the point that we want to avoid is that while this is going to increase the revenue of the government, this will push up interest rates in the country correspondingly and it will affect the economic condition of the country.

There is an effort now on the part of the Finance Department to restructure the system of taxing the banking institutions of the land.

Senator Guingona. May we know the revenue generated as far as the professionals were concerned for 1998?

Senator Enrile. They pay their professional fees to obtain their right to practice their profession; but in addition, they pay income tax on a personal basis to the government. This could not be quantified because it is lumped with the gross income tax receipts of the national government.

Senator Guingona. I would like to thank the distinguished sponsor for that answer.

May we know how much was generated for the stock, real estate, commercial, customs and immigration brokers since they were already covered by VAT in 1998?

Senator Enrile. My understanding is that it is only P1.18 million. This is a figure for 1990 because we do not segregate anymore the amount of revenue raised from each sector or from each class of taxpayer bearing the value-added tax.

Senator Guingona. Do we not have a later figure?

Senator Enrile. We do not have.

Senator Guingona. The House wanted to defer—I do not know if this is the right term—or exempt stock, real estate, commercial, customs and immigration brokers. We have no interest in this. We just like to know if the distinguished sponsor knows what is the reason for the House in so specifying, including them.

Senator Enrile. I do not know, Mr. President. There could

be no reason at all or a thousand reasons or a million reasons. But I do not know the real reason.

Senator Guingona. How about professional services performed by registered general professional partnerships? Are they already included?

Senator Enrile. They are also deferred. I stand corrected, Mr. President. They are included in paragraph (a): Professional services performed by registered general professional partnerships.

Senator Guingona. Since the concern of the distinguished sponsor is the higher interest rates, is it not a fact that the Bangko Sentral governor has already announced or has indicated in many instances that he is for the increase of interest rates in order to stabilize the currency depreciation?

Senator Enrile. Mr. President, that may be so but whatever the economic impact of a decision like that on the interest rate, the rate will be further increased to the extent of the value-added tax that will be borne by the banks. This is an add-on to any interest level that would be adopted as a function of the economy.

Senator Guingona. In the case of banks, are offshore-banking units included in this?

Senator Enrile. To the extent of their FCDUs because offshore banking is not subject to the taxing powers of our laws. Only onshore banking would be affected. But to the extent of their FCDUs lent out to locals, if I remember the Comprehensive Tax Reform Program, I guess there is a 7.5% tax on FCDU interest.

Senator Guingona. Is it not a fact that there are loopholes in the gross receipts tax which can be availed of by banks that may account for the very low collection of P11.5 billion?

Senator Enrile. I do not know about that, Mr. President. That is why we will hear them when the new tax package contemplated by the Department of Finance will come to us. We will conduct a hearing and find out if indeed there are loopholes that must be plugged.

Senator Guingona. Yes, but this is the third deferment.

Senator Enrile. That is correct, Mr. President. But we did not conduct any hearing with respect to the gross receipts tax yet.

Senator Guingona. One of the reasons it was deferred as early as 1996 was that the banking sector did not have sufficient time to adjust its system to the new tax system. The banking sector

needed time to prepare. This is the third extension, and I was wondering whether it is wise to continue with this extension.

Senator Enrile. I guess this is the last extension. This representation is not interested in exempting anybody from taxation if he could help it. But unfortunately, there is a request on the part of the government that this matter be given another year of extension so that the government can make a study with respect to the manner of taxing the banking sector especially.

Senator Guingona. The banks are already adjusted as far as computers are concerned and as far as adjustments are concerned. There does not seem to be a cogent reason for further extending the time and giving them another year. Considering that the amount is P11.5 billion, this will be more or less the same amount that will be collected for the year.

Senator Enrile. It is not the question of adjustment with respect to operational efficiency or recording. It is a question of studying the impact of this law if it is going to be imposed on the banking system, on the public. This cost cannot be totally borne by the banks. They will have to pass it on to the borrowing sector, most especially to business, and business in turn will pass this on through its pricing system to the consumers which will be reflected in the amount of goods that could be bought by the public.

Senator Guingona. Does the distinguished sponsor mean that if we impose the VAT on the banks, they will pass on the cost of the tax to the borrowers?

Senator Enrile. There is no question about that, Mr. President. This is a shiftable tax. Any consumption tax is a shiftable tax.

Senator Guingona. Should that be the case since a portion of the tax should be assumed by them, not totally?

Senator Enrile. The banks?

Senator Guingona. Yes, Mr. President. What they borrow in turn and they lend the difference, they also must bear a portion of the VAT.

Senator Enrile. That is possible, Mr. President, but the complexity of determining that through actual mathematical computation is very difficult. I cannot answer how we can determine it. But surely I can say that the tax will be shifted by them, by the borrower, at least, through the pricing system of their products to the consumer.

Senator Guingona. What I mean is from the banks. The

banks will shift to the borrower the cost of the VAT.

Senator Enrile. Yes, Mr. President. If the rate established by the Central Bank is X percent and we impose the VAT on them, they impose X plus VAT.

Senator Guingona. Yes, but should they not absorb instead of pass on the additional costs?

Senator Enrile. If they are charitable institutions, perhaps, Mr. President. But unfortunately, business is business. They will maximize their profits.

Senator Guingona. Legally, we would like to get the expertise of the distinguished sponsor. May banks just pass on the entire VAT?

Senator Enrile. Yes, Mr. President. They can.

Senator Guingona. Why, in the case of other services, they cannot.

Senator Enrile. As the gentleman knows, Mr. President, these days it is a lender's market. It is not a borrower's market. So we pay the interest that our bank tells us.

Senator Guingona. Then if there are no adequate borrowers, the bank would have to absorb.

Senator Enrile. Unfortunately, Mr. President, there are more borrowers now who cannot borrow because the banks are not willing to lend. They put their money in the treasury bills. It is much safer.

Senator Guingona. I think we have to look deeper into this, Mr. President, whether the concept of VAT really allows banking institutions to pass on the entire VAT obligation to the borrower.

Senator Enrile. This is not a direct tax, Mr. President. It is an indirect tax. Like all indirect taxes, it is a shiftable tax.

Senator Guingona. Shiftable but not the entire tax.

Senator Enrile. Nobody can control. I do not know if they could not pass the whole thing, but I assume that they will have to pass the whole thing. If they do not pass the whole thing, well and good. But the fact is that I will always assume that they will pass the whole thing.

Senator Guingona. But as explained in the original

version, the passing on is not the whole thing. That was the original intent of the law.

Senator Enrile. I do not know that there is such a statement. If there was such a statement, Mr. President, it was not made by this representation.

Senator Guingona. And so, is it the theory or is it the stand of the distinguished sponsor that the GRT is more easily supervised or implementable than if it were covered by VAT?

Senator Enrile. Mr. President, to be frank about it, I am not involved in implementing the VAT nor the gross receipts tax. I could not answer that question—whether it is easier to implement the VAT or the GRT. This has to be determined when we deal with this problem when it comes to us because there is a proposal coming up for consideration of Congress from the Finance Department. That is my understanding.

Senator Guingona. What proposal is this, Mr. President, please?

Senator Enrile. Mr. President, I was told that the Finance Department is studying a new tax package to cover the financial institutions of the country.

Senator Guingona. In view of the fact that we are still getting some records concerning the loopholes of the GRT, Mr. President, which the distinguished sponsor unfortunately is not aware of, may we ask for time to do so.

SUSPENSION OF SESSION

Senator Drilon. I move 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 4:23 p.m.

RESUMPTION OF SESSION

At 4:26 p.m., the session was resumed.

The President. The session is resumed.

Senator Guingona. Mr. President, I would just like to stress here that the original intent was to go into more details on the loopholes of the gross receipts tax as a basis for opposing this measure.

However, upon the appeal of the distinguished sponsor and the Majority Leader, we shall defer to another time upon assurance of the distinguished sponsor that he will look into it and at the appropriate time help us in uncovering this loophole so that it will no longer be availed of unscrupulously.

While there are pros and cons to this issue, Mr. President, because of the request of the two distinguished gentlemen, we will withdraw our reservation.

Thank you.

Senator Enrile. May I state for the record, Mr. President, that we will do exactly what the distinguished Minority Leader wanted. In fact, we would welcome his participation in due course when the financial institution tax being contemplated by the administration will come to us for hearing.

In addition, I would like also to point out that the tax amnesty proposal of the Senate that we filed recently, which is now within the jurisdiction of the Committee on Rules for consideration, will also deal with the same problem that he has raised because we are requiring all taxpayers including trust accounts to file a statement of assets and liabilities as a basis for availing tax amnesty.

Thank you.

The President. The Majority Leader is recognized.

Senator Drilon. Mr. President, I now move to terminate the period of interpellations on Senate Bill No. 1851 under Committee Report No. 166.

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

Senator Drilon. Mr. President, I now move that we proceed with the period of amendments. Does the committee have amendments?

Senator Enrile. There is no committee amendment, Mr. President.

Senator Drilon. I move that we close the period of committee amendments, Mr. President.

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

Senator Drilon. We now come to the period of individual amendments, Mr. President. The Majority Leader has not been informed that any one has an individual amendment.

SUSPENSION OF SESSION

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

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

It was 4:30 p.m.

RESUMPTION OF SESSION

At 4:37 p.m., the session was resumed.

The President. The session is resumed.

Senator Drilon. Mr. President, the termination of the period of individual amendments is in order. I so move that we terminate the period of individual amendments.

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

APPROVAL OF S. NO. 1851 ON SECOND READING

Senator Drilon. Mr. President, I move that we vote on Second Reading on Senate Bill No. 1851 as reported out under Committee Report No. 166.

The President. Is there any objection? *[Silence]* There being none, we shall now vote on Second Reading on Senate Bill No. 1851.

As many as are in favor of the bill, say *aye*.

Several Members. *Aye.*

The President. As many as are against the bill, say *nay*. *[Silence]*

The *ayes* have it; Senate Bill No. 1851 is approved on Second Reading.

SUSPENSION OF CONSIDERATION
OF S. NO. 1851

Senator Drilon. I move that we suspend consideration of Senate Bill No. 1851 under Committee Report No. 166.

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

SUSPENSION OF SESSION

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

The President. Is there any objection? *[Silence]* There being none, the session is suspended for one minute.

It was 4:38 p.m.

RESUMPTION OF SESSION

At 4:39 p.m., the session was resumed.

The President. The session is resumed. The Majority Leader is recognized.

SPECIAL ORDERS

Senator Drilon. Mr. President, I move that we transfer from the Calendar for Ordinary Business to the Calendar for Special Orders, Committee Report No. 148 on Joint Senate Resolution No. 12, entitled

JOINT RESOLUTION CALLING FOR THE
IMMEDIATE CREATION OF A LEGISLATIVE
OVERSIGHT COMMITTEE TO MONITOR
AND OVERSEE THE IMPLEMENTATION OF
THE VISITING FORCES AGREEMENT

and Senate Joint Resolution No. 15, entitled

JOINT RESOLUTION CREATING A CONGRES-
SIONAL OVERSIGHT COMMITTEE TO
MONITOR AND OVERSEE THE IMPLEMEN-
TATION OF THE AGREEMENT BETWEEN
THE GOVERNMENT OF THE REPUBLIC OF
THE PHILIPPINES AND THE GOVERNMENT
OF THE UNITED STATES OF AMERICA
REGARDING THE TREATMENT OF THE
UNITED STATES ARMED FORCES VISITING
THE PHILIPPINES, PARTICULARLY ON THE
NATIONAL SECURITY AND DEFENSE
MATTERS AND CONCERNS.

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

RESOLUTIONS ON SECOND READING
S. Jt. Res. Nos. 12 and 15--Creating the
Congressional Oversight Committee on VFA

Senator Drilon. Mr. President, with the permission of the