AN ACT
APPROPRIATING THE SUM OF SIX BILLION PESOS (P6,000,000,000.00) AS SUPPLEMENTAL APPROPRIATIONS FOR F.Y. 2019 AND FOR OTHER PURPOSES

EXPLANATORY NOTE

According to the Third Quarter Report of the Philippine Statistics Authority, palay production last July to September 2019 declined by 4.5% (3.05 million metric tons) from the 2018 output of 3.2 million metric tons. During these months, average farmgate price of palay is Php18.27 per kilogram, 13.1% lower than previous year’s average price of Php21.02 while the rice wholesale price also decreased from previous year’s level of Php41.78 to Php39.84 per kilogram.¹

The intensifying effects of climate change and influx of imported rice are few of the reasons for the alarming drop in palay prices. Just this year, 51 LGUs declared a state calamity due to droughts and dry spells caused by El Niño with an estimated Php7.9 billion worth of damages to agriculture, affecting 247,610 farmers in 10

provinces and 41 cities and municipalities. As one of the pillars of economic development, the agriculture sector needs assistance during this time of distress, particularly the rice farmers and farm workers, to encourage them to continue farming.

This bill therefore seeks to appropriate Six Billion Pesos (Php6,000,000,000.00) to fund the Unconditional Cash Transfer (UCT) for rice farmers, which shall serve as an initial, supplementary, and transitional measure and compensation for the reduction or loss of farm income arising from the effects of climate change and influx of imported rice.

In view of the foregoing, the passage of this supplemental budget is urgently sought.

[Signature]

LOREN LEGARDA

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AN ACT
APPROPRIATING THE SUM OF SIX BILLION PESOS (P6,000,000,000.00) AS SUPPLEMENTAL APPROPRIATIONS FOR F.Y. 2019 AND FOR OTHER PURPOSES

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

SECTION 1. Appropriations. — The sum of Six Billion Pesos (P6,000,000,000.00) is hereby appropriated to supplement the FY 2019 Budget under the General Appropriations Act of 2019 (Republic Act No. 11260) for the purpose of providing initial, unconditional cash transfers to rice farmers.

SEC. 2. Use and Release of Funds. — The amounts appropriated herein shall be used to provide direct cash transfers to vulnerable rice farmers who are planting one (1) hectare or less, as compensation for the reduction or loss of farm income arising from the influx of imported rice. Releases from this Fund shall be made by the Department of Budget and Management (DBM) directly to the Department of Agriculture.

SEC. 4. Submission of Reports. – The DBM and the implementing agency shall submit, either in printed form or by way of electronic document, to the Senate President, the Speaker of the House of Representatives, and the Commission on Audit, the quarterly accountability reports on the utilization of funds. The DBM and the DBM’s web administrator or his/her equivalent shall be responsible for ensuring that the said quarterly reports are likewise posted on the official website of the DBM and the implementing agency.

Releases from the said Fund shall be subject to the submission of a special budget pursuant to Section 35, Chapter 5, Book VI of Executive Order No. 292, series of 1987.

SEC. 5. Separability Clause. – If for any reason, any section or provision of this Act is declared to be unconstitutional or invalid, the other sections or provisions of this Act which are not affected shall continue in full force and effect.

SEC. 6. Repealing Clause. – All provisions of existing laws, orders, rules and regulations or parts thereof which are in conflict or inconsistent with the provisions of this Act are hereby repealed, amended, or modified accordingly.

SEC. 7. Effectivity. – This Act shall take effect immediately upon its publication in the Official Gazette or in at least two (2) newspapers of general circulation in the Philippines.

Approved,