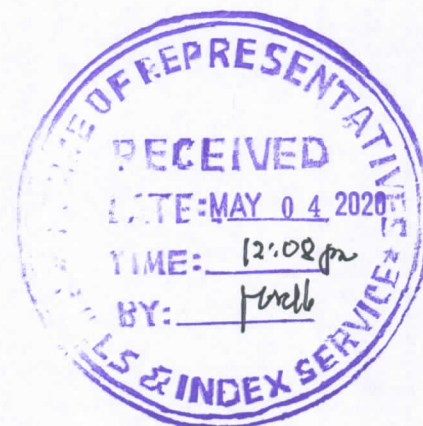


Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City

EIGHTEENTH CONGRESS
First Regular Session

HOUSE BILL NO. 6656



Introduced by **HON. LUIS RAYMUND "LRAY" F. VILLAFUERTE, JR.**

EXPLANATORY NOTE

The General Appropriations Act (GAA) of 2020 institutionalized the shift to the first annual cash-based budget of the Philippine government intended to promote discipline among agencies by requiring better planning, early procurement, and great coordination for a more active management of budget resources. The annual cash-based budget system also sought to ensure that the payment of contractual obligations which are scheduled to be delivered in the fiscal year are reflected in the Budget and that the payments of those deliverables accepted are settled within the year up to a three-month Extended Payment Period.

Under this system, all government programs and projects budgeted for the fiscal year should be implemented and delivered within the same fiscal year. Hence, Section 60 of the General Provisions of the 2020 GAA provides that "All appropriations authorized in this Act, including budgetary support to GOCCs, shall be available for release and disbursement for the purpose specified, and under the same general and special provisions applicable thereto until December 31, 2020 [...]."

While the objectives of this provision are ideal, the extraordinary situation facing the country arising from the Covid-19 pandemic and the necessary measures implemented by the government to arrest the transmission of the virus has led to the temporary suspension or delayed implementation of many programs, projects, and activities to be funded out of the GAA.

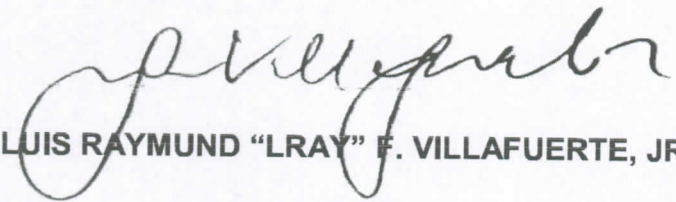
As the country moves out of the severe restrictions put into place and as agencies of the government across all levels resume their activities under "new normal" regulations, further backlogs or delays in the implementation of the projects under the 2020 GAA may be encountered and the said projects may not be completed and/or obligated following the current provision which will result to the appropriated funds being reverted.

This situation would be unfortunate given that the government would have to deal with a projected recession and unemployment in the wake of the pandemic. It is worth noting that the programs, projects, and activities funded by the 2020 GAA are much needed to counteract the economic effects of the Covid-19 restrictions including among others, medical assistance programs, aids, and relief activities as well as public

works that create jobs such as the maintenance, construction/repair, and rehabilitation of schools, hospitals, roads, bridges, and other essential facilities that serve the public.

In this regard, it is imperative that Section 60 of the General Provisions of Republic Act No. 11465 (GAA 2020) be amended such that the validity of all appropriations therein be extended for another fiscal year for the benefit of the Filipino people and the welfare of the nation.

In view of the foregoing, the immediate passage of this bill is earnestly sought.



LUIS RAYMUND "LRAY" F. VILLAFUERTE, JR.

Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City

EIGHTEENTH CONGRESS
First Regular Session

HOUSE BILL NO. 6656

Introduced by **HON. LUIS RAYMUND “LRAY” F. VILLAFUERTE, JR.**

**AN ACT EXTENDING THE AVAILABILITY OF THE 2020 APPROPRIATIONS TO
DECEMBER 31, 2021, AMENDING FOR THE PURPOSE SECTION 60 OF THE
GENERAL PROVISIONS OF REPUBLIC ACT NO. 11465, THE GENERAL
APPROPRIATIONS ACT OF FISCAL YEAR 2020**

Section 1. Section 60 of the 2020 General Appropriations Act or Republic Act No. 11465 is hereby amended to read as follows:

“Sec. 60. Availability of Appropriations. – All appropriations authorized in this Act shall be available for release and obligation for the purpose specified, and under the same special provisions applicable thereto, until December 31, 2021.

“A report on these releases and obligations shall be submitted to the Speaker of the House of Representatives, the President of the Senate of the Philippines, the House Committee on Appropriations and the Senate Committee on Finance, either in printed form or by way of electronic document.”

Section 2. *Repealing Clause.* – All laws, decrees, executive issuances, rules and regulations inconsistent with this Act are hereby repealed or modified accordingly.

Section 3. *Effectivity.* – This Act shall take effect fifteen (15) days after its publication in the *Official Gazette* or in a newspaper of general circulation.

Approved,