



Republic of the Philippines  
HOUSE OF REPRESENTATIVES  
Quezon City

EIGHTEENTH (18<sup>th</sup>) CONGRESS  
First Regular Session

HOUSE BILL NO. 5629



Introduced by: HON. JOSE CHRISTOPHER "KIT" Y. BELMONTE

### EXPLANATORY NOTE

Eight (8) months after the passage of Republic Act No. 11203 otherwise known as the "*An Act Liberalizing the Importation, Exportation, and Trading of Rice, Lifting for the Purpose the Quantitative Restriction on Rice, and for Other Purposes*," farm-gate prices of *palay* have plummeted to as low as P7 to P10 per kilo in some provinces, while the price of rice dropped by 2.9%, and the price of *palay* by 17.48%;

The large drop of farm - gate price of *palay* has resulted in huge income losses for rice farmers and the industry, which is now estimated to be around P60 billion pesos.

This Bill seeks to appropriate a supplemental budget amounting to Php 6,000,000,000.00 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 influx of imported rice, and to encourage rice farmers to continue farming.

In view of the foregoing, the passage of this Supplemental Budget is earnestly sought.

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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:*

1 **Section 1. Appropriations.** – The sum of Six Billion Pesos (P6,000,000,000.00) is hereby  
2 appropriated out of any funds from the National Treasury of the Philippines not  
3 otherwise appropriated, to supplement the FY 2019 Budget under the General  
4 Appropriations Act of 2019 (Republic Act No. 11260) for the purpose of providing  
5 unconditional financial assistance to rice farmers.

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

12 **Section 3. Availability of Appropriations.** The appropriations authorized in this Act  
13 shall be available for release and obligation for the purpose specified until December  
14 31, 2020.

15 **Section 4. Submission of Reports.** The DBM and the implementing agency shall  
16 submit, either in printed form or by way of electronic document, to the Senate  
17 President, the Speaker of the House of Representatives, and the Commission on  
18 Audit, the quarterly accountability reports on the utilization of funds. The DBM and  
19 the DBM's wed administrator or his/her equivalent shall be responsible for ensuring  
20 that the said quarterly reports are likewise posted on the official website of the DBM  
21 and the implementing agency.



22 Releases from the said Fund shall be subject to the submission of a special budget  
23 pursuant to Section 35, Chapter 5, Book VI of Executive Order No. 292, series of  
24 1987.

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

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

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

Approved,