

K. BUDGETARY SUPPORT TO GOVERNMENT CORPORATIONS - OTHERS

For budgetary support to government-owned and/or controlled corporations not otherwise specifically appropriated in this Act ... P 13,610,000

New Appropriations, by Purpose

Current\_Operating\_Expenditures

	Personal Services	Maintenance and Other Operating Expenses	Capital Outlays	Total
A. PURPOSE(s)				
1. Rest of Budgetary Support to Government-Owned and/or Controlled Corporations, subject to Section 35, Chapter 5, Book VI of E.O. No. 292 and Letter of Implementation No. 29	P	13,610,000	P	13,610,000
Sub-total, Purpose		13,610,000		13,610,000
TOTAL NEW APPROPRIATIONS	P	13,610,000	P	13,610,000

Special Provisions

1. Use of Fund. Except where otherwise stated, the amounts appropriated herein may be used as subsidy and/or equity investment to GOCCs: PROVIDED, That payment of salaries, allowances and other benefits shall be in accordance with P.D. No. 985, R.A. No. 6758, as amended, as well as R.A. No. 7305, and that retirement gratuities paid from this fund shall be computed in accordance with the rates, conditions and procedures prescribed under existing retirement laws, rules and regulations: PROVIDED, FURTHER, That this fund may be used for payment of retirement or separation benefits, in accordance with existing laws or executive issuances, to personnel of GOCCs which are financially unable to pay said benefits, subject to the submission and approval of a streamlining program, as well as other measures that will enhance the efficiency and effectiveness of the GOCC concerned: PROVIDED, FURTHERMORE, That in no case shall equity investments be used for salaries, allowances, retirement gratuities and other benefits, except in cases authorized by the DBM: AND PROVIDED, FINALLY, That releases shall be subject to Section 35, Chapter 5, Book VI of E.O. No. 292 and Letter of Implementation No. 29 dated December 5, 1975.

2. Special Compensation and Other Benefits. GOCCs, including Government Financial Institutions (GFIs), who are exempt from, or are legally enjoying special compensation and other benefits which are superior to those authorized under R.A. No. 6758, or the Compensation and Salary Standardization Law, as amended, shall be governed by such special laws. Thereafter, any grant of or increase in salaries, allowances, and other fringe benefits shall be subject to the approval of the President upon favorable recommendation of the DBM. Further, they shall not be entitled to benefits accruing to government employees covered by R.A. No. 6758, if they are already receiving similar or equivalent benefits under their own compensation scheme.

3. Fund Releases for Budgetary Support to Government Corporations. Funds appropriated herein shall be under the administration of the DBM. Said funds shall be directly released to the recipient corporation through the BTr. All requests for fund releases either as subsidies or equity investments to government corporations shall be included in their respective Corporate Operating Budgets (COBs) duly approved by their respective governing boards.

4. Offsets Against Budgetary Support to Government Corporations. The appropriations authorized herein may be offset by the BTr against the corporate payments of cash dividends under R.A. No. 7656, guarantee fees, advances for loans relented to corporations, obligations which are guaranteed by the National Government, and other receivables of the government from the corporations. If the total level of actual revenues at the end of the immediate past year, including income from liquid assets, such as interest in cash deposits as well as in short-term and bond investments, and other fund sources of the government corporation, exceed the corresponding projections considered in the formulation of the current year's budgetary support program, the excess may be deducted from said program and the budgetary support may be reduced to the extent of such favorable result.

5. Submission of Corporate Operating Budgets and Other Related Financial Statements. All GOCCs, including GFIs, shall prepare their FY 2008 COBs in accordance with the procedures and guidelines prescribed by the DBM. Said COBs together with their supporting financial statements shall be approved by their governing boards, and submitted to the Secretary of Budget and Management for review and evaluation as part of the budget process pursuant to E.O. No. 518, s. 1979 and E.O. No. 292, s. 1987: PROVIDED, That the PNOC, the NPC and the NEA shall be governed further by the requirements of R.A. No. 7638.

6. Submission of Quarterly Reports. GOCCs shall submit to the House Committee on Appropriations, the Senate Committee on Finance and the DBM their quarterly corporate financial, physical and narrative accomplishment reports within thirty (30) days after the end of each quarter.

7. Subsidy to the National Electrification Administration. The amount appropriated for the NEA shall be used exclusively for: (a) rural electrification and (b) sitio electrification projects and shall in no case be used for salaries, wages, honoraria, allowances, separation benefits, and similar personnel expenditures: PROVIDED, That the appropriation for rural electrification projects shall be equitably allocated: PROVIDED, FURTHER, That such subsidy releases may be used to cover loans outlay or grants for electric cooperatives: PROVIDED, FINALLY, That the amount corresponding to the grants given to electric cooperatives shall remain as subsidy. (CONDITIONAL IMPLEMENTATION - President's Veto Message, March 11, 2008, page 1196, R.A. No. 9498)

8. Subsidy to the National Food Authority. The amount appropriated for the NFA shall be used exclusively for its price stabilization and food security program. The NFA shall buy directly from farmers or their organizations, whose names together with the quantity purchased and the price paid shall be listed and verified under oath by the NFA, and posted in the municipal hall, public market or other conspicuous public places in the municipality where the farmers live: PROVIDED, That funds for the purpose shall be released in time for the harvest season: PROVIDED, FURTHER, That in cases of calamities, fortuitous events, or shortfall in production, such amount or a portion thereof, may be used for the importation of rice and corn as recommended by the NFA Council and approved by the President:

PROVIDED, FINALLY, That the pricing scheme for imported rice and corn shall, as far as practicable, consider the full cost recovery.

9. Report on Rice Stocks. All warehouses duly licensed or accredited by the NFA shall, within thirty (30) days after the end of each quarter, submit to the NFA Administrator a report on actual rice stocks in their warehouse. The NFA Administrator shall furnish the Congressional Oversight Committee on Agriculture and Fisheries Modernization a copy of the consolidated quarterly report on actual rice stock.

10. Budgetary Support to People's Television Network, Incorporated. The amount appropriated for subsidy and equity contributions for PTV 4 shall be used for the network's Modernization Program, specifically for the acquisition/replacement and installation of new transmitters for the main broadcast center and provincial stations; rehabilitation and upgrading of existing provincial transmitters; and repair/upgrade and rehabilitation of the main broadcast center and other structures: PROVIDED, That the amount of Two Hundred Twenty Eight Million Five Hundred Seventy-Five Thousand Pesos (P228,575,000) appropriated for capital outlays represents the balance of the equity contribution of the national government to the network pursuant to R.A. No. 7306. (CONDITIONAL IMPLEMENTATION- President's Veto Message, March 11, 2008, page 1196, R.A.No. 9498)

11. Subsidy to the National Housing Authority. The appropriations authorized for the NHA shall be released upon submission of the listing and details of projects as approved by the NHA Board. The funds shall, as far as practicable, be equitably allocated by legislative district: PROVIDED, That implementation of the Resettlement Program shall be made in accordance with the Implementing Rules and Regulations of R.A. No. 7279, or the Urban Development and Housing Act of 1992, and R.A. No. 7835, or the Comprehensive and Integrated Shelter Financing Act of 1994: PROVIDED, FURTHER, That the NHA shall submit reports indicating, among others, the breakdown of

disbursements made for the aforesaid program to the Senate and House Committees on Housing, Senate Committee on Finance and House Committee on Appropriations.

12. Subsidy for the North-South Rail Linkage Project. The amount appropriated for the resettlement program of NHA shall cover the cost of relocating families/informal settlers along the rights-of-way of the North-South Rail Linkage Project.

13. Improvement in Operations and Release of Appropriations for the National Home Mortgage Finance Corporation (NHMFC). The NHMFC shall implement a rehabilitation program to increase collection efficiency and improve quality of its loan portfolio in accordance with the Memorandum of Agreement dated June 5, 1996. The NHMFC shall submit its collection and other reports as may be required by the DBM, which may be used as basis for the release of allotments and notices of cash allocation, subject to the submission of a Special Budget pursuant to Section 35, Chapter 5, Book VI of E.O. No. 292.

14. Remittance of Cash Dividends. Cash dividends equivalent to at least fifty percent (50%) of annual net earnings shall be remitted to the National Treasury pursuant to R.A. No. 7656 as income of the General Fund.

#### GENERAL SUMMARY

#### BUDGETARY SUPPORT TO GOVERNMENT CORPORATIONS

Current_Operating_Expenditures			
	Personal Services____	Maintenance and Other Operating Expenses____	Capital Outlays____
			Total
A. Department of Agriculture	P 2,542,200,000	P 30,500,000	P 2,572,700,000
A.1 National Dairy Authority		102,200,000	102,200,000
A.2 National Food Authority	2,000,000,000		2,000,000,000
A.3 National Tobacco Administration	115,000,000		115,000,000
A.4 Philippine Coconut Authority	230,000,000		230,000,000
A.5 Philippine Crop Insurance Corporation		30,500,000	30,500,000
A.6 Philippine Rice Research Institute	95,000,000		95,000,000
B. Department of Energy	922,400,000		922,400,000
B.1 National Electrification Administration	922,400,000		922,400,000
C. Department of Health	1,577,060,000		1,577,060,000
C.1 Lung Center of the Philippines	272,560,000		272,560,000
C.2 National Kidney and Transplant Institute	493,000,000		493,000,000
C.3 Philippine Children's Medical Center	346,000,000		346,000,000
C.4 Philippine Heart Center	435,500,000		435,500,000
C.5 Philippine Institute for Traditional and Alternative Health Care	30,000,000		30,000,000
D. Department of Public Works and Highways		250,000,000	250,000,000
D.1 Metropolitan Waterworks and Sewerage System		250,000,000	250,000,000
E. Department of Tourism	65,000,000		65,000,000

E.1 Philippine Convention and Visitors Corporation	65,000,000		65,000,000
F. Department of Trade and Industry	179,800,000	300,000,000	479,800,000
F.1 Aurora Special Economic Zone Authority	9,800,000	300,000,000	309,800,000
F.2 Cottage Industry Technology Center	10,000,000		10,000,000
F.3 Center for International Trade Expositions and Missions	60,000,000		60,000,000
F.4 Technology and Livelihood Resource Center	100,000,000		100,000,000
G. Department of Transportation and Communications	135,000,000		135,000,000
G.1 Philippine National Railways	135,000,000		135,000,000
H. National Economic and Development Authority	26,300,000		26,300,000
H.1 Philippine Institute for Development Studies	26,300,000		26,300,000
I. Office of the Press Secretary	345,355,000	228,575,000	573,930,000
I.1 People's Television Network, Incorporated	345,355,000	228,575,000	573,930,000
J. Other Executive Offices	4,553,223,000	1,333,720,000	5,886,943,000
J.1 Cagayan Economic Zone Authority	136,280,000	563,720,000	700,000,000
J.2 Cultural Center of the Philippines	160,000,000		160,000,000
J.3 Development Academy of the Philippines	70,000,000		70,000,000
J.4 Home Guaranty Corporation		200,000,000	200,000,000
J.5 National Home Mortgage Finance Corporation	500,000,000	500,000,000	1,000,000,000
J.6 National Housing Authority	3,500,000,000		3,500,000,000
J.7 Southern Philippines Development Authority	156,943,000		156,943,000
J.8 Zamboanga City Special Economic Zone Authority	30,000,000	70,000,000	100,000,000
K. Budgetary Support to Government Corporations - Others	13,610,000		13,610,000
Total New Appropriations, Budgetary Support to Government Corporations	P 10,359,948,000	P 2,142,795,000	P 12,502,743,000