



Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City, Metro Manila



Thirteenth Congress
Second Regular Session

HOUSE BILL NO. 5276

Introduced by Honorable Rodante D. Marcoleta

EXPLANATORY NOTE

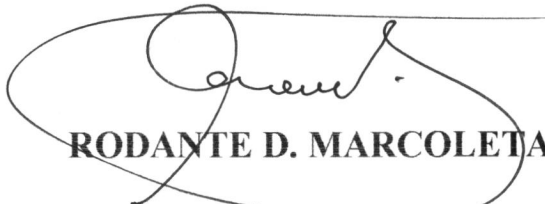
This bill seeks to establish an assistance program designed to enhance the capability and productivity of individuals engaged in livelihood activities to be known as the Livelihood Enhancement Assistance Program (LEAP) under the supervision of the Technology and Livelihood Resource Center (TLRC).

Despite several attempts being made by the government to alleviate poverty, a large number of Filipinos are still living below the poverty line. The proposed measure aims to improve the living condition of our poor countrymen. The program would benefit not only the unemployed, the low salaried worker but also individuals already engaged in livelihood activities.

As envisioned in this bill, LEAP will provide modest financial assistance for the establishment of small livelihood enterprises such as *sari-sari* or dry goods stores, canteens, rural transportation such as jeepneys, tricycles, pedicabs, and such other livelihood projects. LEAP shall be administered by the provincial offices of the TLRC.

LEAP is different from other livelihood programs because of its minimum requirements unlike agricultural loans being handled by rural banks and other financial institutions which require the filling up of voluminous documents. LEAP also offers loans at very minimal interest to individuals or organizations to help them start or establish a business. For this purpose, the TLRC may employ the services of its technical people. This program highly conforms to the goals of a people-oriented and truly democratic government.

In view of the foregoing, support and approval of the bill is earnestly sought.


RODANTE D. MARCOLETA



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AN ACT
ESTABLISHING THE LIVELIHOOD ENHANCEMENT
ASSISTANCE PROGRAM (LEAP) AND APPROPRIATING FUNDS
THEREFOR.

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

SECTION 1. Short Title. – This Act shall be known as the
"Livelihood Enhancement Assistance Program Act of 2006."

SEC. 2. Declaration of Policy. – It is hereby declared the policy of the State to promote and protect the well-being of the people, provide a higher standard of living and better quality of life for all. Towards this end, it is necessary to provide an assistance program designed to enhance the capability and productivity of the people who are engaged in livelihood activities.

SEC. 3. Livelihood Enhancement Assistance Program. – In pursuance to the above mentioned policy, Livelihood Enhancement Assistance Program (LEAP) is hereby established which shall be under the supervision of the Technology and Livelihood Resource Center (TLRC).

SEC. 4. Objectives. – LEAP shall have the following objectives:

- a) Extend loans to indigent individuals or organizations for the establishment of small scale livelihood and agricultural production;
- b) Help in the establishment of small livelihood enterprises such as *sari-sari* stores, rural transportation such as jeepneys, tricycles or pedicabs, canteens, sale of household wares or ready-to-wear apparels or such other livelihood projects which can be funded from small loans;

- c) Assist low salaried workers who have viable plans for modest livelihood projects to supplement their meager salaries;
- d) Extend credit assistance to individuals or organizations already engaged in income generating activities;
- e) Provide technical assistance in much needed skills to sustain existing economic activities;
- f) Provide opportunities for organizations to develop their track record in project handling; and
- g) Promote unity among the people of the community by encouraging them to work together in community-endeavored livelihood projects.

SEC. 5. **Loans.** – The amount of loans granted under the LEAP shall range from Ten Thousand Pesos (P10,000.00) for individuals and One Hundred Thousand Pesos (P100,000.00) for organizations which shall be payable from two (2) to ten (10) years at the rate of five percent (5%) interest *per annum*.

Any person may apply for a loan for one livelihood project at a time and may be granted additional loan for expansion of the original project or for a different kind of livelihood project: *Provided*, That the prior loan has been fully settled.

SEC. 6. **Implementation.** – LEAP shall be implemented in all municipalities and cities through the provincial offices of the TLRC which shall oversee and control all phases of activities for the LEAP.

SEC. 7. **Government Assistance.** – In the implementation of LEAP, the TLRC may call on any department, office, agency or other instrumentalities of the government for assistance as the need arises.

SEC. 8. **Technical and Administrative Support Staff.** – The TLRC may organize technical and administrative support staff as it may deem necessary to carry out the objectives of LEAP.

SEC. 9. **Funding.** – The LEAP shall be funded from the following:

- a) One percent (1%) of the annual earnings of the Philippine Charity Sweepstakes Office;
- b) One percent (1%) of the annual earnings of the Philippine Amusement and Gaming Corporation; and

c) Grants and donations from individuals, organizations and corporations: *Provided*, That the funds provided herein shall be deposited in a revolving fund to be created for the purpose: *Provided, further*, That all disbursements and other expenses from the revolving fund shall be subject to auditing rules and regulations.

SEC. 10. **Appropriations.** – The initial amount necessary for the implementation of this Act shall be charged to the appropriations of the Technology and Livelihood Resource Center (TLRC) under the current General Appropriations Act. Thereafter, such amount as may be necessary for the technical and administrative expenses of LEAP shall be included in the annual General Appropriations Act.

SEC. 11. **Repealing Clause.** – All laws, decrees, orders, rules and regulations or parts thereof inconsistent with this Act are hereby repealed or amended accordingly.

SEC. 12. **Effectivity.** – This Act shall take effect fifteen (15) days after its publication in at least two (2) national newspapers of general circulation.

Approved,