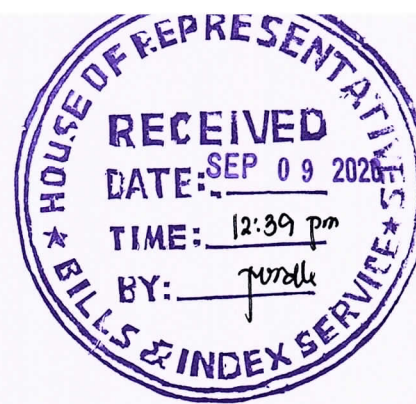


Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City

EIGHTEENTH CONGRESS
Second Regular Session

HOUSE BILL No. 7620



Introduced by
BAYAN MUNA Representatives CARLOS ISAGANI T. ZARATE
FERDINAND R. GAITE and EUFEMIA C. CULLAMAT,
GABRIELA Women's Party Representative ARLENE D. BROSAS
ACT TEACHERS Party-List Representative FRANCE L. CASTRO,
and **KABATAAN Party-List Representative SARAH JANE I. ELAGO**

AN ACT
PROVIDING FOR A PEOPLE'S STRATEGY FOR STRENGTHENING HEALTH,
SOCIAL PROTECTION, ECONOMIC AND LOCAL INDUSTRIAL DEVELOPMENT
(SHIELD) IN LIGHT OF THE COVID-19 PANDEMIC AND ITS ECONOMIC
IMPACTS, AND APPROPRIATING FUNDS THEREFOR

EXPLANATORY NOTE

The COVID-19 pandemic has unmasked the already weak economic fundamentals, poor job generation strategy, and fragile healthcare and social protection systems that have been in place for so long as part of the neoliberal orientation of the Philippine economy. Contrary to the Duterte administration's claim of strong economic fundamentals, the Philippine economy has long been tethered to artificial and external economic growth drivers such as overseas remittances that acted as a façade for the chronic decay of the quality of life of millions of Filipinos.

With the imposition of the militaristic lockdown, millions of jobs, especially in the country's informal economy vanished in a snap, sending at least 27.3 million Filipinos to the ranks of the unemployed in July. The 45 percent July 2020 jobless rate, which is an all-time high, was worse than the unemployment figures during the 1997 Asian financial crisis, and could even be understated. Hundreds of thousands of overseas Filipino workers were displaced from work, too, and had to bear with the government's inefficient repatriation efforts. Philippine Gross Domestic Product (GDP) posted a 16.5% contraction during the second quarter of 2020 - signaling the country's official plunge to recession and the country's worst economic contraction since World War II.

The crisis also highlighted the country's heavy dependence on agricultural imports, as the government insisted on importation of rice and other agricultural commodities, even as source countries like Vietnam implemented protectionist measures amid the pandemic. Up to now, social safety nets such

as the government's Social Amelioration Program (SAP) remain remiss in meeting their target beneficiaries more than four months into the implementation of community quarantine.

The crisis also brought to the fore the highly commercialized and fragile nature of the public healthcare system. The annual budget cuts in the government subsidy of public hospitals rendered them helpless in the face of the COVID-19 pandemic, straining scarce healthcare resources and healthcare personnel. The Philippine Health Insurance Corp. (Philhealth) continued the "users pay" framework despite the pandemic, and had been ineffective in easing the stress in the healthcare system on top of the glaring and relentless corruption within the agency. Alarming, the infection rate among healthcare workers was reported to be as high as 16 percent due to the lack of personal protective equipment (PPE) and the soaring COVID-19 cases which overwhelm the country's hospitals and healthcare facilities. The national government has yet to fully finance and roll out a comprehensive mass testing program for all suspect cases, close contacts, and vulnerable groups and communities.

A recognition of these glaring pre-existing infirmities of the Philippine healthcare system and economy, as well as the stubborn refusal of the current administration to correct these structural infirmities, is necessary in crafting a stimulus plan that will bring strategic solutions to joblessness, food insecurity and to the fragility of the public healthcare system. Addressing the effects of the COVID-19 pandemic, therefore, should not be premised on the iterations of the same policies that have made the lives of ordinary Filipinos extremely vulnerable to crises.

This SHIELD Bill, or Strategy for Health, Improved Aid Delivery and National Economic Development, seeks to provide immediate economic relief interventions to poor families and vulnerable sectors while at the same time realigning the economic objectives towards national industrialization and genuine agrarian reform as strategic solutions to the crisis. Sufficient state funding for free mass testing shall be ensured. Unconditional cash assistance and wage subsidies at a fixed amount of P10,000 per beneficiary shall be extended and expanded to cover poor families and workers still reeling from the economic effects of the militaristic quarantine. Specific targeted programs for transport sector workers, students, and agricultural producers shall also be ensured. The people's right to timely and accurate information on the pandemic shall be upheld through appropriate community-based programs. On a more strategic level, the local industries shall be restructured to prioritize local demand for food, medical supplies, and other essential commodities instead of banking on infrastructure spending. Sufficient stock of rice and other agricultural commodities shall be met through comprehensive interventions on the agricultural sector, primarily via free land distribution and sufficient support services to food production and rural industries.

Below is a preview of programs and respective funding requirement under the SHIELD bill:

SHIELD Bill Programs and Funding Requirement (in billion pesos)

	TOTAL	Phased Appropriation	
		2020	2021
Strengthen Health System	320.855	119.825	201.03
Free Mass Testing Fund	68	20.4	47.6
Epidemiologic Testing	0.5	0.25	0.25
Contact Tracing	43.84	10.96	32.88
Mass Hiring and Training of Health Personnel	7.79	0.99	6.8
PPE Supply	5	5	
Special risk allowance and COVID-19 hazard pay	22	6	16
Testing Facilities	22.5	5	17.5
Medical Facilities	50		50
Free COVID-19 Treatment	40	10	30
Free Public Health Services	50	50	
Vaccine Development Program	1	1	
UP NIH Grant	10	10	
Cremation Services	0.225	0.225	
Social Protection	318.65	230.15	88.5

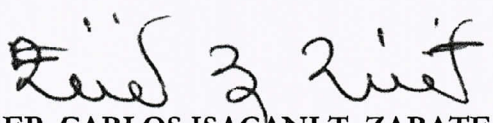
Unemployment Subsidies	200	200	
Paid Quarantine Leave	5	5	
PUJ Ligtas na Balik-Pasada Grant	1.2	1.2	
Devices for teachers	6.95	6.95	
Devices for students	50	5	45
TES	45.5	10	35.5
Non-TES	10	2	8
Build National Economy	928.5	120	808.5
Assistance to MSMEs	50	50	
Wage Subsidies to MSMEs	50	50	
Mass Transit	100		100
Free Land Distribution	200		200
Support for ARBs	50	10	40
Agricultural Subsidy	220.5	10	210.5
RPSCP	25		25
Irrigation Acceleration	45		45
Post-Harvest Facilities	30		30
Palay Procurement	103		103

Medical Equipment & Pharmaceutical Industry	20		20
Shipping Modernization	10		10
Steel Industry	10		10
Renewable Energy Program	10		10
Livestock Industry	5		5
TOTAL	1,568.01	469.975	1,098.03

Filipinos have long been trapped in the dark under the same policies that prioritize dependence on foreign investments, foreign debt and overseas remittances. It is about time that we embrace a new dawn of national economic development as set forth in this SHIELD bill.

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

Adopted,

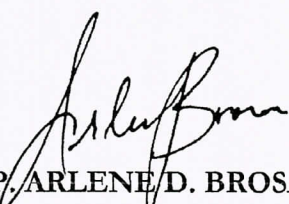

REP. CARLOS ISAGANI T. ZARATE
Bayan Muna Partylist


REP. FERDINAND R. GAITE
Bayan Muna Partylist


REP. EUFEMIA C. CULLAMAT
Bayan Muna Partylist



REP. FRANCE L. CASTRO
ACT Teachers Partylist



REP. ARLENE D. BROSAS
GABRIELA Women's Party



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

CHAPTER I: GENERAL PROVISIONS

SECTION 1. Short Title. – This Act shall be known as the “*People's Strategy for Strengthening Health, Social Protection, Economic and Local Industrial Development*” or the SHIELD Act.

SECTION 2. Declaration of Policy. – It shall be the policy of the State to promote the strengthening of the public healthcare system, improvement and expansion of the aid delivery system to vulnerable groups, strategic employment generation through national industrialization and genuine agrarian reform, and a rights-based approach to national development, especially in light of the severe impact of the COVID-19 pandemic.

SECTION 3. Definition of Terms. –

- a. Close contact – asymptomatic or presymptomatic patient with known prolonged (15 minutes or more) and unprotected (no PPE) contact or exposure to a confirmed or probable case of COVID-19
- b. Confirmed case – patient who tested positive for COVID-19 from an accredited national or subnational laboratory

- c. Contact tracing – process of identification of persons who may have come into close contact with an infected person and subsequent collection of further information about these contacts
- d. COVID-19 – Coronavirus disease 2019
- e. ELISA – enzyme-linked immunosorbent assay, a laboratory-based antibody/serologic test
- f. ESU – epidemiology and surveillance unit in region, province, municipality or city
- g. Food security – refers to a situation in which the food requirements of the people are secured and sustained by continuous sufficient supply from local production and are available, accessible and affordable to the consumers. Its essential element is self-reliance through self-sufficiency in food.
- h. Frontliner – all workers essential to the production and distribution of basic necessities or the provision of basic services;
- i. Health worker – any person engaged in health and health-related work, including, but not limited to, health and para-health professionals, allied health personnel, administrative and support personnel employed in health care institutions regardless of their employment status
- j. High-risk community – area with local and community transmission and its adjacent areas, with poor living conditions
- k. IgG – immunoglobulin G, antibody from chronic infection
- l. IgM – immunoglobulin M, antibody from acute infection
- m. Influenza-like illness (ILI) – illness with fever (38°C and above) and cough or sore throat in the past 3 days
- n. Informal Economy - all economic activities by workers and economic units that are – in law or in practice – not covered or insufficiently covered by formal arrangements
- o. Informal sector workers - those whose employment is not subject to standard labor legislation, taxation, social protection or entitlement to certain employment benefits including, but not limited to independent contractors, street vendors, public utility vehicle drivers, operators, freelancers, agricultural and fisheries workers, and self-employed workers in the gig economy; the job is casual or of a limited short duration; the hours of work or wage are below a certain threshold; the worker is not covered either by SSS or GSIS; or the employer is an unregistered enterprise
- p. Poor, low- to middle-income earner - individuals who are receiving monthly compensation as follows:

Income Classification	Monthly Income
Middle Income	Between Php 60,000.00 to Php 83,000.00
Low Income	Between Php 23,660.00 to Php 60,000.00
Poor	Less than Php 23,660.00

- q. Micro, Small, Medium-Scale Enterprises (MSME+) – refers to any business activity or enterprise engaged in industry, agribusiness, and/or services, excluding banks and other financial institutions under the supervision of the Bangko Sentral ng Pilipinas, whether self-employed professional, sole proprietorship, cooperative, microfinance non-governmental organizations, partnership or corporation whose total assets, inclusive of those arising from loans but exclusive of the land in which the particular business entity's office, plant, and equipment are situated, must have a value falling under the following categories:

	At least	Not more than
Micro		Php 999,000.00
Small	Php 999,001.00	Php 99,000,000.00
Medium	Php 99,000,001.00	Php 1,499,000,000.00

For the purposes of this Act, a Startup shall be considered an MSME+. *Provided*, that in case information on value of assets is not available, then enterprise size will be determined by the number of employees as follows:

Micro – 1 to 9 employees

Small – 10 to 99 employees

Medium – 100 to 199 employees

- r. PPE – personal protective equipment
- s. Probable case – a suspect COVID-19 case that tested either inconclusively, or positive, but through other means than the accredited laboratories, such as rapid test kits
- t. Public utility vehicle (PUV) - refers to any registered public utility bus, taxicab, school transport service, UV express service, bus rapid transit, and other motor vehicle as may hereafter be classified as such by the Land Transportation Franchising and Regulatory Board (LTFRB)
- u. rtPCR - real-time polymerase chain reaction
- v. Severe acute respiratory illness (SARI) – influenza-like illness (ILI) having onset in the past 7 days, with symptoms of difficulty of breathing or shortness of breath, requiring hospitalization
- w. Suspect case – patient with mild or severe COVID-19 symptoms with travel to or residence in an area of local transmission at least 14 days prior to symptom onset
- x. Other vulnerable sectors – include the following groups:
 1. Symptomatic patients aged 60 years old and above
 2. Patients with comorbid illness regardless of age
 3. Pregnant women
 4. Other groups as determined by the Department of Health

CHAPTER II: STRENGTHENING THE PUBLIC HEALTH SYSTEM

SECTION 4. General Provision. –The State shall implement targeted quarantine measures in the smallest possible area to carry out testing, isolate the infected, treat the sick, and protect the vulnerable in order to break the virus' chain of transmission. The targeted quarantine measures are based on scientific evidence and shall be carried out in the most democratic manner with the participation of community organizations and local health volunteers. The State shall ensure socio-economic support for all residents of all communities that are to be quarantined. In no case shall there be human rights violations in the conduct and implementation of health interventions included herein.

SECTION 5. Free Mass Testing Fund. – Testing, as provided in this Act, shall be provided at no cost to covered individuals. In no case shall there be an individual, covered by this Act, required to pay the cost of testing and other related expenses, including, but not limited to, the cost of test kits and personal protective equipment. A special Free Mass Testing Fund shall be created for this purpose. The Fund shall bear the full cost of testing and other related expenses.

The initial amount of **Twenty Billion Four Hundred Million Pesos (Php20,400,000,000.00)** for Fiscal Year 2020 and another **Forty-Seven Billion Six Hundred Million Pesos (PhP47,600,000,000.00)** for Fiscal Year 2021 are hereby appropriated for this Section. *Provided*, that if deemed necessary, the Department of Finance (DOF) shall propose to Congress the additional amount needed for replenishment of the Free Mass Testing Fund for the current fiscal year. *Provided, finally*, in no case shall there be an individual covered by this Chapter to be denied testing due to lack of available funds.

SECTION 6. Free COVID-19 Mass Testing. – To ensure the safety of the Filipinos, free mass testing using rtPCR shall be conducted no later than 30 days from the effectivity of this Act. In no case shall there be an individual covered by this Chapter required to pay the cost of testing and other related expenses, including, but not limited to, the cost of test kits and personal protective equipment. The Inter-Agency Task Force for the Management of Emerging Infectious Disease (IATF-EID), in full cooperation with the Department of Health (DOH), shall create a COVID-19 Free Mass Testing Plan within 15 days from the effectivity of this Act. The plan shall include the following:

- a. Testing of all suspect case;
- b. Testing of all close contacts of probable and confirmed cases;
- c. Testing of all repatriated and returning overseas Filipino workers;
- d. Testing of all health workers and other frontline workers;
- e. Testing of other vulnerable groups;
- f. Surveillance testing in high risk communities;
- g. Heightened surveillance and testing of patients with ILI/SARI; and
- h. Epidemiological testing.

Provided, that all health workers shall be tested immediately upon symptom onset or every two weeks, whichever comes first. *Provided, further*, that in the private health sector, the private medical facility and the Free Mass Testing Fund shall bear the full cost of testing and other related expenses of its health workers. *Provided, further*, for all health workers in the public sector, the cost of testing and other related expenses, including, but not limited to, the cost of test kits and PPE, shall be covered by the Free Mass Testing Fund. *Provided, further*, only licensed and trained physicians, nurses, midwives and medical technologists will be allowed to extract samples for testing purposes. *Provided, finally*, that the barangay health workers shall assist in social preparation and facilitation of mass testing.

SECTION 7. Testing of workers returning to work. – All workplaces shall be categorized as high risk areas of infection during the pandemic. The COVID-19 is hereby categorized as an occupational disease. In line with this, employers are hereby mandated to ensure the hiring of professional health worker/s and the establishment of isolation facility/ies, regardless of the number of its workforce, in accordance with Section 15 of Republic Act No. 11058 or “The Strengthening Occupational Health Standards Act of 2017.” The creation of a COVID-19 crisis committee within the workplace is hereby encouraged.

Workers with symptoms assessed as suspected cases and workers with exposure to a confirmed or probable case, regardless of symptoms or lack thereof, shall be tested for COVID-19. *Provided*, that the principal employer shall bear the cost of testing and other related expenses of all personnel, regardless of employment status. *Provided, further*, for medium, small and micro enterprises, the principal employer may apply for a subsidy program for testing his/her employees. *Provided, finally*, the Free Mass Testing Fund shall likewise bear the cost of testing and other related expenses of all government employees, regardless of employment status, together with those on recurring job orders and contracts of service.

SECTION 8. Testing of students, teachers, and non-teaching personnel. – All students and school personnel shall be assessed by a school health practitioner or municipal/city health officer. Students and school personnel with symptoms assessed as suspect cases, and students and school personnel with exposure to a confirmed or probable case, regardless of symptoms, shall be tested for COVID-19. *Provided*, that the testing of students that are minors shall require parental consent. *Provided, further*, the private school and the Free Mass Testing Fund shall bear the cost of testing and other related expenses of its students and school personnel. *Provided, finally*, the Free Mass Testing Fund shall bear the cost of testing and other related expenses of all students, teachers and non-teaching personnel in public schools.

In no case shall the Department of Education (DepEd) resume physical classes without the certification from the DOH, school health practitioner, and municipal/city health officer ensuring that the school environment is safe. The DOH shall establish health protocols in schools including, but not limited to, social distancing, reduced class size and more open spaces.

SECTION 9. Testing of foreign workers, tourists, and other foreign nationals. – All foreign workers, tourists, and other foreign nationals shall be screened by personnel of the Bureau of Quarantine, tested, and undergo COVID-19 testing, and a mandatory quarantine of fourteen (14) days or until the release of COVID-19 test result, whichever comes first, upon their arrival in the country, with strict observance of quarantine protocols in an appropriate facility. *Provided*, the employer/host of the foreign worker/visitor shall bear the full cost of testing, quarantine and other related expenses. *Provided, further*, foreign tourists and foreign nationals shall bear the full cost of testing, quarantine, and other related expenses.

SECTION 10. Epidemiological testing. – Given the novel nature of this virus, the state shall undertake the sampling and subsequent testing of the Philippine population to determine the true statistics of the spread of COVID-19 in the country. The DOH and its Epidemiology Bureau, in full coordination with the respective local government units and ESU, shall determine the areas or clusters for the conduct of an epidemiological investigation.

This shall utilize a tandem of rtPCR and antibody testing, performed in a designated laboratory without hampering testing of clinical samples and generating substantial backlog. *Provided*, that antibody testing will only be performed using ELISA or validated rapid test kits. *Provided, further*, that individuals testing IgM(+) be recorded as probable cases and will be confirmed with rtPCR. *Provided, finally*, that IgG(+) individuals be recorded as recovered cases and will be encouraged to donate their plasma.

The amount of **Two Hundred Fifty Million Pesos (PhP250,000,000.00)** for Fiscal Year 2020 and **Two Hundred Fifty Million Pesos (PhP250,000,000.00)** for Fiscal Year 2021 are hereby appropriated to augment the Public Health Program, the Epidemiology Bureau and Public Health Surveillance and Informatics Division of the DOH. *Provided, that* the augmented budget shall be used to cover the costs for epidemiological testing and the improvement of epidemiologic data collection and dissemination.

SECTION 11. Intensified COVID-19 Contact Tracing Program. – To break the chain of COVID-19 transmission, an intensified COVID-19 contact tracing and monitoring of individuals exposed to a confirmed case must be implemented. The local government units (LGUs), in full coordination with the DOH, shall identify and monitor the individuals who had an exposure with a confirmed case and the contacts of the confirmed case, from 2 days before and 14 days after the onset of illness of a symptomatic case or the sampling of an asymptomatic case.

For this purpose, the LGUs shall adopt a community-based approach in hiring and training of at least 137,000 COVID-19 contact tracers. The total number of COVID-19 contact tracers per barangay shall be determined and recommended by the DOH considering the barangay's total population. The LGUs shall hire Filipinos residing for at least one (1) year in the barangay to be the designated full-time COVID-19 contact tracers of the barangay. *Provided, that* the LGUs shall give preference to indigent Filipino individuals, including, but not limited to, those who lost their source of income due to the government imposition of community quarantine and other restrictions in response to the COVID-19 pandemic. *Provided, further,* that the COVID-19 contact tracers hired under this Program shall be treated as regular employees entitled to salaries of Twenty Thousand Pesos (PhP20,000) per month and benefits. *Provided, further,* the LGUs shall provide the necessary training, PPE and other equipment at no cost to all COVID-19 contact tracers. *Provided, finally,* that the Armed Forces of the Philippines (AFP), the Philippine National Police (PNP), Citizen Armed Force Geographical Unit (CAFGU) and the Office of Civil Defense shall have no role or involvement in contact tracing.

The amount of **Ten Billion Nine Hundred Sixty Million Pesos (PhP10,960,000,000.00)** for Fiscal Year 2020 and **Thirty-Two Billion Eight Hundred Eighty Million Pesos (PhP32,880,000,000.00)** for Fiscal Year 2021 are hereby appropriated for this purpose.

SECTION 12. Mass hiring and training of healthcare and non-healthcare personnel. – The DOH shall implement a mass hiring and training program of the following healthcare and non-healthcare personnel:

- a. Medical professionals;
- b. Nurses;
- c. Healthcare staff;
- d. Barangay health workers;
- e. Health communicators at the barangay level;
- f. Contact tracers;
- g. Data encoders; and
- h. Other relevant personnel to be determined by the DOH.

Provided, that the DOH will prioritize filling up its unfilled plantilla positions. *Provided, further,* the healthcare and non-healthcare personnel covered by this Act shall be treated as regular employees

entitled to salaries based on the applicable salary grade and benefits. *Provided, further*, the number of barangay health workers shall not be less than three (3), nor not more than one percent (1%) of the barangay population. *Provided, further*, that all active and existing barangay health workers accredited by the local health board under Republic Act No. 7883 shall be given preference in appointment of the barangay health workers pursuant to this Section. *Provided, finally*, that the COVID-19 contact tracers hired pursuant to Section 11 shall be likewise given preference in appointment of the barangay health workers and/or contact tracers after undergoing an education and training program.

The amount of **Nine Hundred Ninety Million Pesos (PhP990,000,000.00)** for Fiscal Year 2020 and **Six Billion Eight Hundred Million Pesos (PhP6,800,000,000.00)** for Fiscal Year 2021 are hereby appropriated for this purpose.

SECTION 13. Ensuring the supply of complete personal protective equipment and other medical supplies. – In order to ensure the safety of all health workers and other frontliners, including, but not limited to, ambulance drivers, waste management and sanitation personnel and personnel manning checkpoints, the State shall ensure enough supply of complete PPE, including, but not limited to, face masks, face shields, goggles, aprons, and gowns. For this purpose, the DOH shall procure PPE sets for all health workers and other frontliners, regardless of employment status, in the public health sector. Furthermore, the national and local government agencies, government-owned and -controlled corporations (GOCCs), private institutions and establishments shall procure PPE sets for all of its health workers and/or other frontliners, regardless of employment status. *Provided*, that the PPE sets shall be given free of charge to the health workers and other frontliners. *Provided, further*, that the cost of procurement of the PPE of the national and local government agencies, and GOCCs shall be charged from its current year's appropriation. *Provided, finally*, that the State and the private sector shall give preference in procuring locally-produced PPE sets and other medical supplies.

The amount of **Five Billion Pesos (PhP5,000,000,000.00)** for Fiscal Year 2020 is hereby appropriated for the immediate procurement of PPE sets of the DOH for the public health sector.

SECTION 14. Working hours of health workers and other frontline workers. – The IATF-EID, in full cooperation with the DOH, the Department of the Interior and Local Government (DILG), and the Department of Labor and Employment (DOLE), shall ensure the implementation of an eight-hour daily shift and forty-hour weekly duty for all public and private health workers and other frontliners.

SECTION 15. Mandatory quarantine with pay for health workers. – The IATF-EID, in full cooperation with the DOH, the DILG, and the DOLE, shall ensure the observation of a quarantine of all public and private health workers for at least fourteen (14) days after their weekly duty or until the release of COVID-19 test result, whichever comes first. *Provided*, that the health workers are entitled to 100% of their salaries during their quarantine period. *Provided, further*, the security of tenure of the health workers shall be preserved during the observation of the quarantine.

SECTION 16. Special risk allowance and COVID-19 hazard pay. – The IATF-EID, in full coordination with the DOH and the DOLE, shall ensure the provision of special risk allowance and COVID-19 hazard pay for all public and private health workers and other frontliners, regardless of employment status and area of assignment, on a monthly basis for every month that they are serving

in the duration of the COVID-19 pandemic, in addition to the existing benefits that the worker receives. *Provided*, that the private institutions shall bear the cost of the special risk allowance and COVID-19 hazard pay.

The special risk allowance shall be computed at 25% of the monthly salary. The COVID-19 hazard pay shall be set at five hundred pesos (PhP 500.00) per day.

The amount of **Six Billion Pesos (PhP6,000,000,000.00)** for Fiscal Year 2020 and **Sixteen Billion Pesos (PhP16,000,000,000.00)** for Fiscal Year 2021 are hereby appropriated for this purpose.

SECTION 17. Free psycho-social support services, free accommodation, and free transport services for health workers. – The IATF-EID, in full cooperation with the DOH, the DILG, the Department of Transportation (DOTr) and the LGUs, shall ensure the provision of free psycho-social support services, including, but not limited to the cost of medication, if necessary; free accommodation, including, but not limited to the cost of basic necessities and utility expenses, for all interested health workers; and free transport services for all health workers to and from their homes and workplaces. *Provided*, that the private institutions shall provide free accommodation, including, but not limited to, the cost of basic necessities and utility expenses, for all interested health workers; and free transportation services to their employees, regardless of employment status, to and from their homes and workplaces.

SECTION 18. Compensation to health workers. – The IATF-EID, in full cooperation with the DOH and the DILG, shall ensure the provision of the following compensation to all public and private health workers, regardless of employment status:

- a. Fifty Thousand Pesos (PhP50,000.00) to health workers who contracted asymptomatic or mild COVID-19 infection;
- b. One Hundred Thousand Pesos (PhP100,000.00) to health workers who contracted severe or critical COVID-19 infection;
- c. One Million Pesos (PhP1,000,000.00) to health workers who died due to COVID-19 infection.

SECTION 19. COVID-19 testing facilities. – The DOH shall ensure the establishment and accreditation of a public testing center in every region and a swabbing center in every barangay, to facilitate the demand for mass testing. These laboratories must be able to perform any, or a combination of diagnostics for COVID-19 such as rtPCR or other effective testing methods, with results released not later than 48 hours. *Provided*, that the DOH and respective local government units shall establish public satellite testing centers per province. *Provided, further*, that the facilities account for and ensure the timely replenishment of testing supplies and kits.

The amount of **Five Billion Pesos (PhP5,000,000,000.00)** for Fiscal Year 2020 and **Seventeen Billion Five Hundred Million Pesos (PhP17,500,000,000.00)** for Fiscal Year 2021 are hereby appropriated for this purpose.

SECTION 20. Medical equipment and facilities. – The DOH shall ensure the sufficient number of medical facilities and equipment in every region, including hospital bed capacity, treatment capabilities, and ample quarantine and isolation facilities, to substantially increase the overall capacity of the Philippine healthcare system. The DOH shall submit to Congress not later than 15 days from

the effectivity of this Act the detailed list of all existing medical facilities that are accredited and pending for accreditation. The DOH shall propose to Congress the medical equipment and medical facilities, including, but not limited to, public hospitals, quarantine facilities, community-based testing centers, public testing centers, rural health units, and barangay health centers in every barangay, required to be constructed to further increase the capacity of the Philippine healthcare system.

The initial amount of **Fifty Billion Pesos (PhP50,000,000,000.00)** for Fiscal Year 2021 is hereby appropriated for the construction of medical facilities, including, but not limited to, public hospitals, quarantine facilities, community-based testing centers, public testing centers, rural health units, and barangay health centers.

SECTION 21. Dedicated COVID-19 medical facilities for health workers. – The IATF-EID, in full cooperation with the DOH and the DILG, shall ensure the establishment and allotment of sufficient number of dedicated COVID-19 medical facilities, including, but not limited to, quarantine/isolation facilities and treatment facilities, for public and private health workers.

SECTION 22. Free basic necessities and medical needs in COVID-19 quarantine/isolation facilities. The IATF, in full cooperation with the DOH, the DILG, and the LGUs, shall ensure the provision of free basic necessities and the medical needs of all individuals observing quarantine or isolation in a COVID-19 quarantine/isolation facility. Moreover, in no case shall there be an individual observing quarantine charged any other expenses, including, but not limited to, the use of the quarantine/isolation facility and utility charges, in a quarantine/isolation facility. *Provided*, that provision shall be made for the needs of vulnerable groups, such as senior citizens, persons with disabilities, pregnant women, and lactating mothers.

The amount necessary to carry out the implementation of this Section shall be charged against the current year's appropriation of the concerned government agency. Thereafter, the amount necessary for the continued implementation of this Section shall be included in the General Appropriations Act.

SECTION 23. Transport of COVID-19 samples and patients. – The DOH, in full cooperation with the Department of Transportation, shall establish a system of rapid transportation of COVID-19 samples and patients to and from testing centers.

SECTION 24. Free public health services in all government hospitals and health facilities. – All public health services rendered to patients and individuals with health-related needs in all government hospitals, treatment rehabilitation centers and sanitarium, rural health units, and barangay health centers shall be made free of charge. *Provided*, that health services shall include but are not limited to consultation, confinement, treatment, procedures, medicines and laboratory diagnostics, and other hospital services. *Provided, further*, that the DOH shall ensure compliance by all concerned hospitals and facilities covered by this Section.

For the purposes of this Section, a government hospital pertains to a general hospital owned, established, and created by law devoted to clinical, emergency, outpatient, and ancillary and support services, as well as a specialty hospital devoted to the diagnosis and treatment of particular diseases. A government hospital may be under the supervision of a national government agency or operated by state universities and colleges, government-owned or -controlled corporations, or local government units.

The amount of **Fifty Billion Pesos (PhP50,000,000,000.00)** for Fiscal Year 2020 is hereby appropriated for the initial implementation of this Section. Thereafter, the amount necessary for its continued implementation shall be included in the General Appropriations Act. *Provided*, that the Department of Budget and Management (DBM) shall include in the annual National Expenditures Program the proposals of the concerned hospitals and health institutions for budgets of maintenance and other operating expenses and capital outlay necessary to extend to their patients the free services provided under this Section.

SECTION 25. Free COVID-19 Treatment Program. – All health services rendered to confirmed COVID-19 cases in all government hospitals, treatment rehabilitation centers and sanitaria, rural health units, and barangay health centers shall be made free of charge. *Provided*, that health services shall include but are not limited to consultation, confinement, medicines and laboratory diagnostics, and other hospital services. *Provided, further*, that the DOH shall ensure compliance by all concerned hospitals and facilities covered by this Section. *Provided, finally*, there shall be no patient denied treatment due to lack of available funds.

For the purposes of this Section, a government hospital pertains to a general hospital owned, established, and created by law devoted to clinical, emergency, outpatient, and ancillary and support services, as well as a specialty hospital devoted to the diagnosis and treatment of particular diseases. A government hospital may be under the supervision of a national government agency or operated by state universities and colleges, government-owned or -controlled corporations, or local government units.

The amount of **Ten Billion Pesos (PhP10,000,000,000.00)** for Fiscal Year 2020 and **Thirty Billion Pesos (PhP30,000,000,000.00)** for Fiscal Year 2021 are hereby appropriated for this purpose. Thereafter, the amount necessary for the continued implementation of this Section shall be included in the General Appropriations Act. *Provided*, that the Department of Budget and Management (DBM) shall include in the annual National Expenditures Program the proposals of the concerned hospitals and health institutions for budgets of maintenance and other operating expenses and capital outlay necessary to extend to their patients the free services provided under this Section.

SECTION 26. COVID-19 Vaccine Development Research Program. – The DOH shall implement and establish a COVID-19 Vaccine Development Research Program to increase the funding support for Filipino scientists to conduct research to develop a vaccine and call for international cooperation for vaccine development.

The amount of **One Billion Pesos (PhP1,000,000,000.00)** is hereby appropriated for this purpose.

SECTION 27. University of the Philippines - National Institutes of Health Research Grant. – To support the advancement of the University of the Philippines - National Institute of Health research to create locally-produced test kits, the amount of **Ten Billion Pesos (PhP10,000,000,000.00)** is hereby granted for Fiscal Year 2021.

SECTION 28. Free COVID-19 Vaccination Program. – In the event that a vaccine for COVID-19 becomes available, the State shall provide a vaccination program free of charge to all Filipinos. The DOH, in full coordination with the LGUs, shall create a Free COVID-19 Vaccination Plan within 30 days from the availability of the vaccine.

The amount necessary to carry out the implementation of this Section shall be charged against the current year's appropriation of DOH. Thereafter, the amount necessary for the continued implementation of this Section shall be included in the General Appropriations Act.

SECTION 29. Free cremation services for COVID-19-related deaths of indigent patients and family. – All cremation fees and expenses including, but not limited to, the cost of PPE and urns, shall be made free of charge to all indigent patients, family or relatives of the deceased. For this purpose, the LGUs, in coordination with the DOH, shall pay for cremation services and the cost of urns to be used for all indigent patients, family or relatives of the deceased. *Provided*, that the remains of the confirmed and suspected cases shall be cremated within 12 hours after the death of the patient. *Provided, further*, that the LGU shall inform the bereaved family of the confirmed or suspected case before the start of the cremation of the remains.

The amount of **Two Hundred Twenty-Five Million Pesos (PhP225,000,000.00)** is hereby appropriated for Fiscal Year 2020 for this purpose.

SECTION 30. Decongestion of prisons. – In order to decongest the prisons amid the pandemic crisis, the Department of Justice is hereby mandated to expedite the mass release of vulnerable persons deprived of liberty, political prisoners, and prisoners convicted of non-violent crimes with short sentences.

SECTION 31. COVID-19 and mass testing information dissemination. – The national and local government units shall mobilize the mass media, educational institutions, and civic organizations to conduct COVID-19 and mass testing information dissemination in every barangay, in workplaces, public markets, parks, and other places where people congregate.

SECTION 32. Mass testing data management. – The DOH, in coordination with the ESU, is hereby mandated to ensure a database of all tested individuals, from suspect, probable, confirmed, and recovered cases to deaths, testing backlogs and those pending validation. These will be placed under the program for purposes of case investigation, contact-tracing, and epidemiological analysis. *Provided*, that statistical data shall be made available to the public in accordance with patient confidentiality and the Data Privacy Act.

SECTION 33. Voluntary membership of overseas Filipino workers in the National Health Insurance Program. – Section 4 (f) of Republic Act No. 11223 is hereby amended as follows:

Sec. 4 Definition of Terms - As used in this Act:

xxx

(f) Direct contributors refer to those who have the capacity to pay premiums, are gainfully employed and are bound by an employer-employee relationship, or are self-earning, professional practitioners, **[MIGRANT WORKERS INCLUDING THEIR QUALIFIED DEPENDENTS]**, and lifetime members.

PROVIDED THAT, MIGRANT WORKERS AND OVERSEAS FILIPINOS SHALL BE DIRECT CONTRIBUTORS ON

VOLUNTARY BASIS UNDER THIS ACT. PROVIDED FURTHER, THAT THE EMPLOYER SHARE ON THEIR PREMIUM SHALL BE COLLECTED WHENEVER APPLICABLE. PROVIDED FINALLY, THAT OVERSEAS FILIPINOS SHALL REFER TO LAND-BASED OFWS; SEAFARERS AND OTHER SEA-BASED WORKERS; FILIPINOS WITH DUAL CITIZENSHIP IN ACCORDANCE TO REPUBLIC ACT 9225 OTHERWISE KNOWN AS THE CITIZENSHIP RETENTION AND REACQUISITION ACT OF 2003; FILIPINOS LIVING ABROAD; OVERSEAS FILIPINOS IN DISTRESS; AND OTHER OVERSEAS FILIPINOS NOT PREVIOUSLY CLASSIFIED ELSEWHERE.

xxx

SECTION 34. Other amendments to the Universal Health Care Act. – Section 9 of Republic Act No. 11223 is hereby amended as follows:

Sec. 9 Entitlement to Benefits - Every member shall be granted immediate eligibility for health benefit package under the Program; Provided, that PhilHealth Identification Card shall not be required in the ailment of any health service; Provided, further, that no co-payment shall be charged for services rendered in basic or ward accommodation; Provided, furthermore, that co-payments and co-insurance for amenities in public hospitals shall be regulated by the DOH and PhilHealth; Provided, finally, that the current PhilHealth package for members shall not be reduced.

PhilHealth shall provide additional Program benefits for direct contributors, where applicable; Provided, that failure to pay premiums shall not prevent the enjoyment of any Program benefits; Provided, further, that employers **[AND SELF-EMPLOYED DIRECT CONTRIBUTORS]** shall be required to pay all missed contributions with an interest, compounded monthly, of at least three percent (3%) **[FOR EMPLOYERS AND NOT EXCEEDING ONE AND ONE-HALF PERCENT (1.5%) FOR SELF-EARNING, PROFESSIONAL PRACTITIONERS, AND MIGRANT WORKERS.]**

SECTION 35. PhilHealth premium contributions. – Section 10 of Republic Act No. 11223 is hereby amended as follows:

Sec. 10. Premium Contributions –

[FOR DIRECT CONTRIBUTORS, PREMIUM RATES SHALL BE IN ACCORDANCE WITH THE FOLLOWING SCHEDULE, AND MONTHLY INCOME FLOOR AND CEILING:

Year	Premium Rate	Income Floor	Income Ceiling
2019	2.75 %	P 10,000	P50,000
2020	3.00 %	P 10,000	P60,000
2021	3.50 %	P 10,000	P70,000
2022	4.00 %	P 10,000	P80,000
2023	4.50 %	P 10,000	P90,000
2024	5.00 %	P 10,000	P100,000
2025	5.00 %	P 10,000	P100,000

]

FOR DIRECT CONTRIBUTORS, PREMIUM RATES SHALL BE FIXED AND ADJUSTED FROM TIME TO TIME THROUGH ENACTMENT OF CONGRESS, TAKING INTO CONSIDERATION ACTUARIAL CALCULATIONS, RATE OF BENEFITS, AND THE CAPACITY OF THE MAJORITY OF CONTRIBUTORS TO PAY.

Provided, that for indirect contributors, premium subsidy shall be gradually adjusted and included annually in the General Appropriations Act (GAA): Provided, further, that the funds shall be released to PhilHealth: Provided, furthermore; that the DOH, in coordination with PhilHealth, may request Congress to appropriate supplemental funding to meet targeted milestones of this Act: Provided, finally, that for every increase in the rate of contribution of direct contributors and premium subsidy of indirect contributors, PhilHealth shall provide for a corresponding increase in benefits.

CHAPTER III: EXPANDING SOCIAL PROTECTION

SECTION 36. Unemployment Subsidies. – Any worker, employed in the public or private sector, whether in the formal or informal economy, including, but not limited to displaced overseas Filipino workers (OFWs), street vendors, Public Utility Vehicle (PUV) drivers and operators, contractors, who is involuntarily separated from employment, shall, regardless of employment status, be covered by this section. *Provided,* That the worker has contributed to either the Government Service Insurance System (GSIS) in the case of government employees, or Social Security System (SSS) in the case of private sector employees. *Provided, Further,* that informal sector workers or workers not covered under GSIS or SSS shall be provided direct subsidy by the government in accordance with Section 36(b) of this Act. *Provided, Finally,* that in no case shall the unemployment subsidies be lower than ten thousand pesos (Php 10,000.00). In cases wherein the amount arrived at in computing for unemployment benefits falls below this threshold, the DOLE is hereby authorized to augment the said amount to comply with minimum compensation as provided in this section.

The following benefits shall apply:

- (a) *Unemployment Subsidies in the Formal Economic Sector.* – Unemployment benefits in the form of monthly cash payments shall be provided by the Social Security System (SSS), in the case of private sector employees, and by the Government Service Insurance System (GSIS), in the case of government workers, involuntarily unemployed in accordance with Sec. 14-B of Republic Act 11199 otherwise known as the “Social Security Act of 2018” and Sec. 12 of Republic Act 8291 or the “Revised Government Service Insurance System Act of 1977” respectively, subject to the rules and regulations thereof. *Provided, That* in case the amount arrived at in computing for unemployment subsidies is below ten thousand pesos (Php10,000.00), the DOLE shall provide to the beneficiary additional cash needed on top of the benefits already guaranteed by either the SSS or GSIS in compliance with the minimum compensation stated in this Section. *Provided, further* that the unemployment subsidies shall be paid directly to qualified unemployed workers for a minimum of two months and a maximum duration subject to the rules and regulations of Republic Act 11199 otherwise known as the “Social Security Act of 2018” for private sector employees, and Republic Act 8291 or the “Revised Government Insurance Service Insurance Act of 1977” for government employees, respectively.
- (b) *Unemployment Subsidies in the Informal Economic Sector.* – Unemployment subsidies in the form of monthly cash payments equivalent to ten thousand pesos (Php10,000.00) shall be paid to all informal sector workers or workers who are not covered by either the SSS or the GSIS, and who are involuntarily separated from employment. *Provided, That* the total amount shall be paid for by the State through the DOLE for a maximum of two (2) consecutive months or until such time that the worker has found gainful employment or source of livelihood, whichever comes first.

The sum of **Two Hundred Billion Pesos (Php200,000,000,000.00)** for Fiscal Year 2020 is hereby appropriated as an initial operating fund to effectively carry out the provisions of this Act. Thereafter, such sums as may be necessary for the continued implementation of this Act shall be included in the annual General Appropriations Act.

The DOLE, GSIS and SSS shall promulgate the rules and regulations for the effective implementation of this section within fifteen (15) days from approval hereof.

SECTION 37. Paid Quarantine Leave. – Employers, national government agencies, and local government units (LGUs) are mandated to grant paid quarantine leaves to qualified employees to contribute to the overall program to mitigate and prevent the spread of COVID-19 virus and to ensure occupational safety and health (OSH) in the workplace.

For an employee to qualify for paid quarantine leave, he or she:

- a. is classified as a low- to middle-income earner;
- b. has tested positive for COVID-19;
- c. is awaiting test results for COVID-19;
- d. is experiencing COVID-19 symptoms and is seeking medical diagnosis; or
- e. has been exposed to a confirmed COVID-19 case.

The paid quarantine leave shall be fourteen (14) days of paid sick leave at the employee's full daily rate, without prejudice to the existing sick leaves. *Provided*, that one hundred percent (100%) of the daily compensation shall be paid to the employee within the quarantine period. *Provided, further*, that the national government shall reimburse the employer for the payment of the employees' paid quarantine leave, using available funds from the DOLE, SSS and the GSIS. *Provided, finally*, that the employee's security of tenure is preserved during the availment of the paid quarantine leave.

In the case of private establishments, the SSS shall compensate the employer to the extent of salaries paid to the employee in excess of paid sick leaves as provided for under company policy, for the duration of the entire illness episode, including the quarantine period post hospital discharge. In the case of government employees, the GSIS shall directly compensate the employee for all salary deductions, in case paid sick leaves have been fully utilized.

In no case will employee compensation exceed 120,000 pesos per individual.

The amount of **Five Billion Pesos (PhP5,000,000,000.00)** for Fiscal Year 2020 is hereby appropriated to carry out this section.

Not later than fifteen (15) days after the date of enactment of this Act, the DOLE, SSS and GSIS shall jointly issue guidance and regulations implementing this section, including the target number of beneficiaries, and estimated total amount of compensation for paid sick leaves.

SECTION 38. Ligtas na Balik-Pasada Grant for public utility vehicle (PUV) drivers. – Public utility jeepney (PUJ) drivers shall be entitled to a Ligtas na Balik-Pasada Grant of Two Thousand Pesos (PhP2,000.00) to enable them to install health and safety features and devices for physical distancing inside the jeepneys, and to allow them to resume their livelihood amid the COVID-19 pandemic. The DOH, in partnership with the DOTr, shall provide guidelines and instructions on how health measures can be observed inside PUJs.

The amount of **One Billion Two Hundred Million Pesos (PhP1,200,000,000.00)** for Fiscal Year 2020 is hereby appropriated for this purpose.

SECTION 39. Program and Emergency Subsidy for COVID-19-impacted secondary and tertiary students in private education institutions. – Pursuant to the policy of the State to protect and promote the right of all students to quality tertiary education, the Tertiary Education Subsidy (TES) provided under Section 7 of Republic Act No. 10931 shall be expanded to cover students whose families are not listed in the *Listaban* of the Department of Social Welfare and Development, but whose families are now facing financial difficulties brought about by work stoppage and closure of establishments due to the community quarantine. *Provided*, that priority shall be granted to children of displaced workers, including OFWs. *Provided, further*, that the Commission on Higher Education shall suspend the geographic prioritization in areas where there are no state universities and colleges to enable all students of Higher Education Institutions to become qualified recipients of TES. The HEIs are mandated to comply with the guidelines of the CHED on inclusive flexible learning and alternative modalities of instruction and ensure that students are not disadvantaged, marginalized, or discriminated against due to lack of access to online modalities.

For this purpose, a maximum of Fifteen Thousand Pesos (PhP15,000.00) subsidy per student for payment of tuition fees per semester for the duration of the national public health emergency shall be paid directly to schools. These payments shall be primarily utilized by the schools to pay for the salaries of teachers and non-teaching staff, based on CHED determination. *Provided*, that if the semester has ended, no further requirements shall be imposed on students, including online classes, except for graduating students. *Provided, further*, that universal promotion shall be considered wherever possible, and students' levels of learning following school closures shall be assessed to inform remedial efforts.

The amount of **Five Billion Pesos (PhP5,000,000,000.00)** for Fiscal Year 2020 and another **Thirty Five Billion Five Hundred Million Pesos (PhP35,500,000,000.00)** for Fiscal Year 2021 for semesters under AYs 2020-2021 and 2021-2022 are hereby appropriated for this purpose.

A stipend of Forty Thousand Pesos (PhP 40,000.00) for one year for non-TES beneficiaries, for their additional education expenses, such as computer, internet and electricity expenses shall also be available for students whose families are not listed in the *Listabanan of the Department of Social Welfare and Development*, but whose families are now facing financial difficulties brought about by work stoppage and closure of establishments due to the community quarantine.

The amount of **Two Billion Pesos (PhP2,000,000,000.00)** for Fiscal Year 2020 and another **Eight Billion Pesos (PhP8,000,000,000.00)** for Fiscal Year 2021 are hereby appropriated for this purpose.

SECTION 40. Moratorium on Tuition and Other School Fee Increase. – A moratorium on tuition and other school fee (TOSF) increases for three years or for the whole duration of the national public health emergency shall be imposed starting Academic Year 2020-2021. *Provided*, That DepED, CHED and TESDA shall review its policy guidelines governing adjustment, refund and transparency in the collection of TOSF following changes in learning modalities under a public health emergency.

CHAPTER IV: BUILDING THE NATIONAL ECONOMY

National Industrialization Strategy

SECTION 41. State policy on national industrialization. – The State shall pursue a national industrialization strategy by developing and acquiring the capacity to produce consumer, intermediate, and capital goods primarily for domestic production and consumption. It shall raise the level of science and technology, expand domestic demand, and integrate regional production and markets into one national production system.

SECTION 42. Establishment of the National Industrialization Council. – To reverse the damage done by neoliberal policies on the national economy, revive national self-reliance and productive capacity, and chart the strategic direction towards the development of domestic enterprises, there shall be established a National Industrialization Council (NIC), a multi-sectoral council composed of representatives from the government, Filipino industrialists, MSMEs, labor unions, people's organizations, academe and other civil society groups. It shall be supervised by the Department of Trade and Industry and shall have the following functions and powers:

- a) Re-orient the national economy policy towards a new, progressive, and long-term national industrialization policy;

- b) Promote the strategic role of Filipino industry, drawing as appropriate from the widest range of policy instruments and enjoining corresponding changes in current policies;
- c) Review all international trade and investment agreements and recommend further actions including, but not limited to calibrated amendment, suspension, or termination of such agreements as necessary and conducive for national industrialization and development;
- d) Initiate the development of a Philippine model for international trade and investment agreements that more systematically defends and upholds the national economic interest;
- e) Implement a Filipino Industrial Science & Technology Strategy for long-term dynamism and productivity growth developed independently and not as a mere extension of or subordinate to foreign-owned and -controlled science and technology;
- f) Create an MSMEs for National Industrialization Program to encourage the continued development of domestic industries rather than towards the chronic dependence on foreign manufactured goods;
- g) Create a National Industrialization Investment and Financing Program to generate additional resources for investing in domestic enterprises sourced from a reconsideration of debt servicing policies and creative approaches to foreign direct investment;
- h) Review all fiscal and non-fiscal incentives accorded to foreign locators and corporations with foreign equities in Special Economic Zones (SEZ), including exemptions from local and national taxes, across the country and recommend actions for calibrated amendment, suspension, or termination to boost the national government's revenues;
- i) Ensure workers' rights and welfare and the protection of the environment.

SECTION 43. National industrialization in support of the public health system. – National industrialization shall be pursued as a long-term strategy that includes boosting the country's readiness to contain and manage future pandemics through the development of a domestic pharmaceutical industry, local production of medical supplies, commodities and capital goods in the healthcare industry, sufficient state support to research and development in the field of epidemiology and public health, and strengthening of local food production and food sovereignty.

For this purpose, the Department of Trade and Industry (DTI) shall establish a state-run medical equipment and pharmaceutical enterprise to lessen the dependence on importation of PPE and other medical supplies, and to meet the demands of the local market in a timely manner. *Provided*, that the workers hired in the industry shall be treated as regular workers employed by the government. *Provided, further*, the DTI, in coordination with the DOH, shall ensure the quality and quantity of the medical equipment and commodities produced by the industry. *Provided, further*, that the DTI shall establish a support program to ensure the quality and quantity of the medical equipment and commodities produced by existing medium, small and micro enterprises. *Provided, finally*, the State and the private sector shall give preference to procuring locally-produced PPE sets and other medical supplies.

The amount of **Twenty Billion Pesos (Php20,000,000,000.00)** for Fiscal Year 2021 is hereby appropriated for the establishment of the state-run medical equipment and pharmaceutical enterprise.

SECTION 44. Wage Subsidy Program. – To help struggling MSME+ retain their workforce, wage subsidies shall be provided directly to their workers, regardless of industry classification and location, and will include workers in the agriculture and fisheries sector. Workers of such MSME+, who are the beneficiaries under this program, shall be eligible to receive the monthly wage subsidy of Ten Thousand Pesos (Php10,000.00) for a period of two months, regardless of employment status. *Provided*, that workers who have already received cash assistance from the national government under

previous programs will still be eligible under the program. *Provided* further, that the wage subsidy to an MSME shall be terminated in case it fails to uphold a 100 percent labor retention policy during the period of availment of the program. *Provided Further*, that agricultural workers, farm workers, and fisheries workers shall be covered under the Wage Subsidy Program. *Provided Finally*, that in cases wherein workers are on forced leave, floating, 'no work no, no pay' or similar situations, the company availing of the program is mandated to reinstate said employees.

MSMEs who applied for the wage subsidy program and who upheld a 100 percent labor retention policy for at least 12 months from the date of availment of the subsidy shall be entitled to fiscal and non-fiscal incentives from the government, to be determined by the Department of Trade and Industry.

In the processing of wage subsidy applications, priority shall be given to MSMEs in the following sectors, using the Philippine Standard Industry Classification (PSIC):

- agriculture, forestry, and fishing
- manufacturing
- accommodation and food service activities
- education (including private educational institutions)
- human health and social work
- arts, entertainment and recreation
- wholesale and retail trade

The sum of **Fifty Billion Pesos (Php50,000,000,000.00)** is hereby appropriated for Fiscal Year 2020 as initial operating fund to finance this Section.

SECTION 45. Immediate Relief for MSME+. – The Land Bank of the Philippines and the Development Bank of the Philippines shall administer negative interest loans to incentivize Filipino manufactures and MSME+ to continue investing in their companies, apportioned among the banks equally, under such rules and regulations as the said banks may prescribe. *Provided*, that the loans shall be administered according to the following guidelines:

- i) The maximum loanable amount shall be fifty (50) percent of the company's direct labor costs;
- ii) The loan shall be payable for three to five years, with the corresponding interest rates as follows:
 - 1) 3 years, negative 4 percent;
 - 2) 4 years, negative 3 percent; and
 - 3) 5 years, negative 2 percent;
- iii) Companies who applied for the negative interest loan program who upheld a 100 percent labor retention policy for at least 12 months from the date of availment of the loan shall be entitled to further fiscal and non-fiscal incentives from the government, to be determined by the Department of Trade and Industry.

Provided, further, that an MSME Safeguard Facility shall be provided for MSMEs.

The sum of **Fifty Billion Pesos (Php50,000,000,000.00)** for Fiscal Year 2020 is hereby appropriated to finance this Section.

SECTION 46. Buy Filipino, Build Filipino Campaign. – The Department of Trade and Industry shall launch the Buy Filipino, Build Filipino campaign as its centerpiece program focused on encouraging Filipino consumers and producers to work together in building a pro-Filipino economy. *Provided*, the campaign shall also promote national culture and economic patriotism as key tenets of its communication strategy.

SECTION 47. Integrated Iron and Steel Industry Development Program. – The State shall prioritize the development of its local integrated iron and steel industry in accordance with incentives identified in Sec. 6 of Republic Act 7103 or the *"Iron and Steel Industry Act"* including but not limited to, regulatory relief measures, government loan programs, and other tariff incentives. *Provided*, these incentives shall encourage the increase of locally-produced share of finished iron and steel products in all infrastructure projects funded by the national government.

The amount of **Ten Billion Pesos (Php10,000,000,000.00)** for Fiscal Year 2021 is hereby appropriated for this purpose.

SECTION 48. National Mass Transportation Industry. – The State shall implement programs and policies towards creating a national mass transport industry. Towards this end, sufficient state support and incentives shall be accorded to the manufacture, assembly and operation of mass transport services which include, but are not limited to, traditional jeepneys, buses, railways, bicycles, ferries, and other modes of public transportation, including non-motorized modes of transport.

Pursuant thereto, the State shall invest in the creation of necessary transit infrastructure including, but not limited to pathways, walking lanes, bike lanes, footbridges, busways and other transport construction in support of increasing capacity of public mass transit and promoting alternative modes of transportation. *Provided* that, private sector participation shall be strictly limited to the provision of technical assistance to mass transport services.

The sum of **One Hundred Billion Pesos (Php 100,000,000,000.00)** for Fiscal Year 2021 is hereby appropriated to finance infrastructure spending as detailed in this Section.

SECTION 49. Domestic Shipping and Shipbuilding Industry Modernization Program. – Adequate support shall be provided by the State to modernize existing domestic shipping and shipbuilding enterprises in the Philippines including, but not limited to, the replacement of wooden-hulled ships with technologically-improved hull materials.

A comprehensive shipping industry modernization roadmap shall be submitted by the Maritime Industry Authority (MARINA) within 30 days of effectivity of this Act.

The amount of **Ten Billion Pesos (Php10,000,000,000.00)** for Fiscal Year 2021 is hereby appropriated for this purpose.

SECTION 50. Renewable Energy Program. – The State shall provide adequate support to the development of the country's renewable energy industry as a means to lessen dependence on imported

oil and coal, create opportunities for Filipino technological advances and innovation, development of indigenous energy sources, and long-term environmental and climate change benefits.

Pursuant thereto, the State shall invest in the development of domestic renewable energy enterprises in the form of loans, regulatory relief, fiscal and non-fiscal incentives. A comprehensive renewable energy roadmap shall be submitted by the Department of Energy within 30 days of effectivity of this Act.

The amount of **Ten Billion Pesos (Php10,000,000,000.00)** for Fiscal Year 2021 is hereby appropriated for this purpose.

SECTION 51. Review of existing incentives to foreign manufacturers. – The State shall conduct a thorough review of existing policies that provide incentives and undue advantage to foreign firms and manufacturers for the purpose of calibrated amendment, suspension or termination of said policies towards ensuring priority to Filipino-made products in government procurement.

SECTION 52. Selection of locators in Special Economic Zones. – Application of locators in Special Economic Zones shall be approved by the Philippine Economic Zone Authority (PEZA) with preference to those aligned with industries that are vital and strategic to national development, as determined by the National Economic Development Authority (NEDA). No new Special Economic Zones (SEZ) shall be inaugurated pending a comprehensive review, inventory and restructuring of existing economic zones. Pursuant thereto, economic activities shall be organized in such a way that local value chains are linked strategically to ensure that domestic needs of the people and the economy are met. For this purpose, incentives and other laws, executive orders and issuances that give preference to export activities shall be gradually removed.

Genuine Agrarian Reform Program

SECTION 53. Free land distribution. – A principle based on social justice and the overriding need for food security is hereby adopted under this program. The National Government shall ensure free land distribution to farmers as well as the sufficiency of support services for the agricultural sector to guarantee the food security of the country, the sufficiency of jobs in the countryside, as well as the sustainability of growth of the local agricultural sector. The land distribution under this program shall be carried out under the following conditions: (a) The lands covered for distribution shall be distributed at no cost to farmer-beneficiaries; (b) The amortization schedule, any balance or arrearages thereof, including interests and other surcharges, if any, of lands already distributed to agrarian reform beneficiaries under Presidential Decree No. 27, and Republic Act No. 6657, as amended by Republic Act No. 9700, are hereby declared as written-off. The farmer-beneficiaries of such lands shall be deemed their full owners upon the effectivity of this Act; and (c) All farmer-beneficiaries shall be issued, at no cost, a Title of Full Emancipation.

SECTION 54. Free distribution of abandoned private agricultural lands. – Abandoned private agricultural lands shall be distributed for free to qualified farmer-beneficiaries. Such lands shall be immediately expropriated by the state in accordance with the power of eminent domain and upon payment of just compensation to the owner: Provided, that abandoned private agricultural lands shall refer to those private agricultural lands which remain utilized or under-utilized for the purpose it was devoted to within the last four years immediately preceding the institution of the expropriation proceeding; Provided further, that ancestral lands, whether covered by a Certificate of Ancestral

Domain Title or not and are being occupied or claimed by an indigenous tribe, shall not be considered abandoned for purposes of this provision. The Department of Agrarian Reform (DAR), in full cooperation with the DOF, is hereby tasked to immediately create and institute a program for expropriating abandoned private agricultural lands which shall include identification of lands to be expropriated as well as its potential farmer-beneficiaries. This program shall be implemented within the 30 days from the effectivity of this Act.

The amount of **Two Hundred Billion Pesos (PhP200,000,000,000.00)** for Fiscal Year 2021 is hereby appropriated as initial operating fund to finance this Section and Section 53.

SECTION 55. Continuing Support for Agrarian Reform Beneficiaries. – The Department of Agrarian Reform (DAR), in full cooperation with the DOF and the Department of Agriculture (DA), is hereby tasked to create and institute a five-year interim support program to ensure sufficient flow of support services to such qualified farmer-beneficiaries and to every farmer, farmers organization, and farmers-producers cooperative with the aim of strengthening local food production to ensure food security.

The interim program shall include:

- (1) the immediate audit of lands to be distributed to agrarian reform beneficiaries;
- (2) access to interest-rate affordable credit facilities under an alternative collateral system;
- (3) access to production support, post-harvest facilities, market access and market price guarantees and other necessary services to make production viable and increase their income; and
- (4) research for the development of sustainable farming technology sever dependence on imported technology and farm inputs.

Such program shall be created and instituted within the 30 days from the effectivity of this Act.

The amount of **Ten Billion Pesos (PhP10,000,000,000.00)** for Fiscal Year 2020, and another **Forty Billion Pesos (PhP40,000,000,000.00)** for Fiscal Year 2021 are hereby appropriated for this program.

SECTION 56. Prohibition Against Sale, Mortgage, Transfer, Or Any Conveyance Or Disposition. – The sale, mortgage, transfer, conveyance or disposition of lands awarded to farmer-beneficiaries shall be prohibited except where transfer is by hereditary succession in which case, land shall be given to the most needy among the children of the farmer-beneficiary who is willing to personally till the land. All other informal lease agreements such as the “arriendo” system and other similar schemes transferring control of land to persons other than the farmer-beneficiaries shall also be prohibited.

SECTION 57. Moratorium on land use conversion. – A moratorium on all forms of land use conversions, from agricultural to commercial, residential, or industrial, is hereby instituted to secure the devotion of the remaining agricultural lands of the country for food production.

SECTION 58. Agri-Fisheries Subsidy Program. – Expanding and increasing the production of Philippine agriculture should be an utmost priority for the benefit of 9.7 million peasants and fisherfolks, and food security of the whole nation. The following assistance to farmers and fisherfolks should be provided:

- a. **One Hundred Forty-Five Billion Five Hundred Million Pesos (PhP145,500,000,000.00)** worth of production subsidy to 9.7 million farmers (P15,000.00 per individual);
- b. **Seventy-Five Billion Pesos (PhP75,000,000,000.00)** for a loan of P25,000.00 for three (3) million small rice farmers, fishers, and agricultural workers.

The amount of **Ten Billion Pesos (PhP 10,000,000,000.00)** for Fiscal Year 2020, and another **Two Hundred and Ten Billion Five Hundred Million Pesos (PhP 210,500,000,000.00)** for Fiscal Year 2021 are hereby appropriated for this program.

SECTION 59. Rice Industry Development Program. – The following shall be the key components of this program:

- a. **Rice Production Socialized Credit Program (RPSCP).** – There shall be a collateral-free rice production socialized credit program for rice farmers, farmers' organizations and farmers' cooperatives with interest rate not more than 5% of the principal amount which shall be given within the first month of the effectivity of this Act.

The amount of **Twenty Five Billion Pesos (PhP25,000,000,000.00)** for Fiscal Year 2021 is hereby appropriated under this program.

- b. **Acceleration of Irrigation Program.** – There shall be an acceleration of irrigation program which shall be instituted by the National Irrigation Administration (NIA), in full cooperation with the DA and the DOF, who shall draw up a program of implementation for the accelerated completion of the construction of irrigation facilities and rehabilitation of existing irrigation facilities based on an inventory and parallel assessment of existing irrigation system in the country, taking into account the preservation of natural ecosystems and requirements for attaining rice self-sufficiency. The Program shall be instituted within the 30 days from the effectivity of this Act.

The amount of **Forty Five Billion Pesos (PhP45,000,000,000.00)** for Fiscal Year 2020 is hereby appropriated under this program.

- c. **Post-Harvest Facilities Development Program.** – There shall be a post-harvest facilities development program which shall be instituted by the DA, in coordination with local government units (LGU), who shall draw up an integrated program of implementation for completing the construction of dryers, rice storages, and other common service facilities needed in rice production in the municipal and barangay levels.

The amount of **Thirty Billion Pesos (PhP30,000,000,000.00)** for Fiscal Year 2020 is hereby appropriated under this program.

- d. **NFA Palay Procurement.** – The National Food Administration (NFA) in full cooperation of the DOF, shall procure at least twenty-five percent (25%) of the total

palay production at farm gate price to guarantee rice farmers a reasonable rate of returns.

The amount of **One Hundred Three Billion Pesos (Php103,000,000,000.00)** for Fiscal Year 2021 is hereby appropriated under this program.

SECTION 60. Repeal of the Rice Liberalization Law. – Consistent with the principle of social justice and the overriding need for food security, Republic Act No. 11203, also known as the Rice Tariffication Law, is hereby repealed.

SECTION 61. Regulation of Agricultural Imports. – For the purpose of protecting local agricultural production from the influx of cheap agricultural imports, the importation of agricultural products including but not limited to sugar, vegetables, pork, beef, and poultry shall be regulated. The volume of agricultural imports shall be limited to the amount needed to augment shortfall in local production as determined by the Department of Agriculture in coordination with local producers with the cooperation of the Department of Trade and Industry.

SECTION 62. Livestock Industry Development Program. – The State shall promote the development of the Philippine livestock industry, particularly small-hold farmers and backyard raisers to increase the supply of meat, poultry, dairy, and other livestock products towards building national food security. Pursuant thereto, the Department of Agriculture is hereby authorized to provide the necessary production support in the form of subsidies and loans to small-hold farmers and backyard raisers. A livestock industry development roadmap shall be submitted by the DA within 30 days of effectivity of this Act.

The amount of **Five Billion Pesos (Php5,000,000,000.00)** for Fiscal Year 2021 is hereby appropriated for this purpose.

CHAPTER VII: Final Provisions

SECTION 63. Joint Congressional Oversight Committee. – A Joint Congressional Oversight Committee composed of four (4) members of each House to be appointed by the Senate President and the House Speaker, respectively, shall exercise an oversight function over the implementation of this Act. *Provided*, that minority representation in the respective chambers shall be ensured in the Joint Congressional Oversight Committee.

SECTION 64. Reporting to Congress. – The National Economic and Development Authority (NEDA) and the implementing agencies shall submit, in either printed form or by of electronic document, to the Joint Congressional Oversight Committee, the House Committee on Appropriations, the Senate Committee on Finance and the Commission on Audit the quarterly reports regarding the implementation of this Act. The quarterly reports shall likewise be uploaded on the official website of the NEDA and the respective implementing agencies.

SECTION 65. Sources of Funding. – Notwithstanding any law to the contrary, the President is hereby authorized to direct the discontinuance of appropriated programs, activities or projects (P/A/Ps) of any agency of the Executive Department, including government-owned or -controlled corporations (GOCCs), in the fiscal years (FY) 2019 and 2020 General Appropriations Act (GAA),

which cannot be utilized effectively, whether released or unreleased, the allotments for which remain unobligated, and utilize the savings generated therefrom to augment the allocation for any item needed to address the COVID-19 pandemic consistent with the herein declared national policy. The P/A/Ps that may be discontinued shall include, but are not limited to:

- (a) The Confidential Funds, Intelligence Expenses, Furniture, Fixture and Books Outlay, and Intangible Assets Outlay of the Office of the President amounting to **Four Billion Five Hundred and Fifty One Million Four Hundred Thousand Pesos (Php4,551,4000,000.00);**
- (b) The Lump Sum for Filling of Positions Military/Uniformed Personnel, Medal of Valor Award, Reservist Pay, and Confidential and Intel Funds of the Armed Forces of the Philippines amounting to **One Billion Four Hundred Forty Five Million Seven Hundred Nine Thousand Pesos (Php1,445,709,000.00);**
- (c) The Lump Sum for Filling of Positions Military/Uniformed Personnel and Transportation Equipment Outlay under the Armed Forces of the Philippines - Air Force amounting to **Four Hundred Sixty Three Million, Three Hundred Fifty Four Thousand Pesos (Php463,354,000.00);**
- (d) The Lump Sum for Filling of Positions Military/Uniformed Personnel under the Armed Forces of the Philippines - Navy amounting to **Five Hundred Sixty Eight Million One Hundred Ninety Three Thousand Pesos (Php568,193,000.00);**
- (e) The AFP Modernization Program and Lump Sum for Filling of Positions - Civilian under the Armed Forces of the Philippines General Headquarters amounting to **Twenty Five Billion Eighty One Million Four Hundred Seventy One Thousand Pesos (Php25,081,471,000.00);**
- (f) The Strengthening of Peace and Order Councils, Anti-illegal Drugs Information System, Enhanced Comprehensive Local Integration Program (E-CLIP), Philippine Anti-Illegal Drugs Strategy, Communicating for Perpetual end to Extreme Violence and forming Alliance towards positive Change and Enriched communities (C4PEACE), and Preventing and Countering Violent Extremism and Insurgency under the DILG-Office of the Secretary amounting to **Five Hundred Twenty Nine Million Thirty Thousand Pesos (Php529,030,000.00);**
- (g) The End Local Communist Armed Conflict, Construction of PNPA Gym, Hazard Duty Pay, Lump sum for filling of positions military/uniformed personnel under the Philippine National Police amounting to **Sixteen Billion Seven Hundred Twenty Three Million Two Hundred Eighty Four Thousand Pesos (Php16,723,284,000.00);**
- (h) The PAMANA and KALAHI-CIDSS programs under the DSWD amounting to **One Billion Five Hundred Eighty Million Nine Hundred Seventeen Thousand Pesos (Php1,580,917,000.00);**
- (i) The Asset Preservation Program, Special Road Fund, and Right of Way Acquisitions of the DPWH amounting to **Sixty Eight Billion Four Hundred Thirty Six Million Seven Hundred Fifty Seven Thousand Pesos (Php68,436,757,000.00);**
- (j) The Contingent Fund in the GAA 2020 amounting to **Thirteen Billion Pesos (Php13,000,000,000.00);**
- (k) The Risk Management Program, Support to Capability Enhancement - PNP, Payment of Right of Way, and Support to Foreign-Assisted Projects under Unprogrammed Funds amounting to **One Hundred Two Billion Eight Hundred Ninety Four Million One Hundred Fifty Eight Thousand Pesos (Php102,894,158,000.00)**

For a total amount of **Two Hundred Thirty Five Billion, Two Hundred Seventy Four Billion, Two Hundred Seventy Three Thousand Pesos (Php235,274,273,000.00)**, the savings generated from the sources identified above shall be used to augment the following priority allocations:

- (1) Under the DOLE - Unemployment Subsidies for workers in the formal and informal sectors;
- (2) Under the DOH - Mass Testing Fund, Epidemiologic Testing, Mass Hiring and Training of Health and non-Health personnel, Intensified Contact Tracing, Construction of Additional Testing Facilities, Free COVID-19 Treatment, Vaccine Development Research, and Free Cremation Services;
- (3) Under the DTI - Wage Subsidies for MSME+;
- (4) Under the LBP and DBP - Zero Interest Loans for MSME+;
- (5) Under the DA and DAR - Support for Agrarian Reform Beneficiaries and Agri-Fisheries Subsidies.

SECTION 66. Other Sources of Funding. – Any unutilized or unreleased balance in special purpose funds (SPFs) shall be considered to have their purpose abandoned during the state of national emergency as declared by the President. All such unspent, unutilized or unreleased money or funds sourced from the SPFs shall be utilized and are hereby appropriated for such measures to address COVID-19 situation;

Notwithstanding any law to the contrary, the President is hereby authorized to reprogram, reallocate, and realign from savings on other items in the FY 2020 GAA in the Executive Department, as may be necessary and beneficial to fund measures to address and respond to the COVID-19 pandemic. All amounts so reprogrammed, reallocated or realigned shall be deemed automatically appropriated for such measures to address the COVID-19 situation; Provided, That such reprogramming, reallocation, and realignment shall be limited to the sources of funding enumerated under Section 65 of this Act;

SECTION 67. Appropriations. – The funding requirements for Fiscal Year 2021 shall be included in the annual General Appropriations Act.

SECTION 68. Implementing rules and regulations. – Where needed and applicable, Implementing Rules and Regulations shall be crafted and promulgated by the responsible government body or agency within the first month of the effectivity of this Act to carry out the objectives of its programs.

SECTION 69. Separability clause. – If, for any reason or reasons, any part or provision of this Act shall be declared as unconstitutional or invalid, the other parts or provisions hereof which are not affected thereby shall continue to be in full force and effect.

SECTION 70. 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.

SECTION 71. Effectivity clause. – 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,