



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

Twentieth Congress
First Regular Session



HOUSE BILL NO. 1012

Introduced by **MAGBUBUKID PARTY-LIST Representative FERDINAND "B1" L. BELTRAN**

EXPLANATORY NOTE

Alinsunod sa Artikulo II, Seksyon 9 ng Saligang Batas ng 1987, tungkulin ng Estado na itaguyod ang isang makatarungan at dinamikong kaayusang panlipunan na magtitiyak ng kaunlaran, kasarinlan, at pag-ahon mula sa kahirapan ng sambayanang Pilipino. Kabilang sa mga pangunahing sektor na dapat bigyan ng ganitong suporta ay ang mga magsasaka, na siyang bumubuhay sa sektor ng agrikultura at sa seguridad sa pagkain ng bansa.

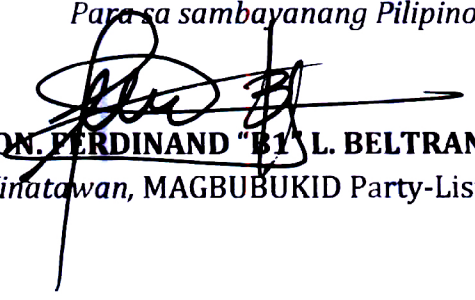
Sa kabila ng kanilang mahalagang papel, matagal nang kinakaharap ng mga magsasaka ang suliranin ng usurious lending o mapang-abusong pagpapautang, kung saan sila ay napipilitang umutang sa mataas na interes, dala ng kakulangan sa akses sa pormal na institusyong pampinansyal. Ang ganitong sistema ay nagiging dahilan ng pagkabaon sa utang ng maraming magsasaka, at humahadlang sa kanilang pag-unlad at pagiging produktibo.

Sa kabuuan, ang panukalang batas na ito ay isang kongkretong hakbang upang protektahan ang kabuhayan ng mga maliliit na magsasaka, wakasan ang mapagsamantalang sistema ng pautang, at tiyaking ang sektor ng agrikultura ay patuloy na lalago sa ilalim ng isang makatarungan at makataong sistema ng pinansyal na suporta.

Ang panukalang ito ay hinain ni Hon. Faustino Michael T. Dy III ng ika-5 distrito ng Isabela noong ika-18 na Kongreso at taimtim na sinusupportahan ng kinatawan na ito ang naturang hakbangin na makatutulong na maiangat ang buhay ng mga Pilipinong magbubukid sa bansa.

Sa kadahilanang ito, ang agarang pagsasabatas ng panukalang ito ay taos-pusong isinusulong.

Para sa sambayanang Pilipino,


HON. FERDINAND "B1" L. BELTRAN
Kinatawan, MAGBUBUKID Party-List



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AN ACT
TO PROHIBIT USURIOUS LENDING TO FARMERS, APPROPRIATING FUNDS
THEREFOR AND FOR OTHER PURPOSES

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

1
2 **SECTION 1. Short Title.** – This Act shall be known as “*Anti-Usury Against*
3 *Farmers Act.*”

4 **SECTION 2. Declaration of Policy.** – Article II, Sec. 9 of the 1987 Constitution
5 states, “The State shall promote a just and dynamic social order that will ensure the
6 prosperity and independence of the nation and free the people from poverty through
7 policies that provide adequate social services, promote full employment, a rising standard
8 of living, and an improved quality of life for all.” In support of this policy, the State further
9 shall ensure that our farmers shall not become victims of usurious lenders and practices.

10 **SECTION 3. Interest Rate.** - Interest on loans to farmers whose landholding
11 does not exceed seven (7) hectares, whether with collateral or without, shall not exceed
12 an effective interest rate of six per cent (6%) per annum. The same rate shall likewise
13 apply to forbearance of any money, good or credit, and in judgments. Any figure above
14 this shall be considered usurious and illegal.

15
16 **SECTION 4. Retroactive Effect.** - The balance of existing loans shall
17 automatically be restructured applying an interest rate not exceeding an effective
18 interest rate of 6% per annum, effective upon effectivity of this Act.
19

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21 **SECTION 5. Determination of Loanable Amount.** - The Bangko Sentral ng
22 Pilipinas and the Monetary Board shall determine the amount, or the percentage of
23 loanable amounts to farmers in the portfolio of banks, public or private.
24

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26 **SECTION 6. Implementing Rules and Regulations.** - The Department of
27 Finance shall formulate the rules and regulations of this Act within ninety (90) days of

1 its effectivity.
2
3

4 **SECTION 7. Penal Provision.** – Any natural person, not a government official or
5 employee, who violates any provision of this Act shall be punished with imprisonment of
6 one (1) year and/or a fine not exceeding PhP 100,000.00.
7

8 Any government employee or official who violates any provision of this Act shall
9 be punished with imprisonment of two (2) years and/or a fine not exceeding PhP
10 200,000.00.
11

12 Any juridical person who violates any provision of this Act shall be punished
13 with a fine of PhP 500,000.00. Its directors and/or officers may also be punished with
14 imprisonment of six (6) months to one (1) year if found liable of a violation under this
15 Act.
16

17 **SECTION 8. Repealing Clause.** – All acts, decrees, letters of instruction, issuances,
18 orders, or parts thereof inconsistent with any provision of this Act are hereby deemed
19 repealed or modified accordingly.
20

21 **SECTION 9. Separability Clause.** – If any part of this Act is declared
22 unconstitutional, the rest of the provisions shall remain in force and effect.
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25 **SECTION 10. Effectivity.** – This Act shall take effect 15 days after its publication
26 in two newspapers of general circulation or in the Official Gazette.
27
28

29 Approved.
30