



Republic of the Philippines
House of Representatives
Quezon City, Metro Manila

Twentieth Congress
Second Regular Session

HOUSE BILL NO. 10648



Introduced by

Representatives Jude A. Acidre, Ziar-Rahman A. Adiong, Joel R. Chua, Jannette L. Garin, Jefferson F. Khonghun, Gerville L. Luistro, Francisco Paolo P. Ortega, Terry L. Ridon, Ramon Rodrigo L. Gutierrez, David C. Suarez and Ysabel Maria J. Zamora

AN ACT

ESTABLISHING THE PAMBANSANG AGAPAY SA PAMILYA AT MALILIIT NA NEGOSYO (PAMANA) PROGRAM, PROVIDING A DIRECT ANNUAL SUBSIDY TO MINIMUM WAGE EARNERS AND THEIR FAMILIES THROUGH DIGITAL WALLETS FOR EXCLUSIVE USE IN LOCAL MICRO, SMALL, AND MEDIUM ENTERPRISES, AND APPROPRIATING FUNDS THEREFOR

EXPLANATORY NOTE

Millions of Filipino minimum wage earners continue to grapple with the rising cost of basic goods, while micro, small, and medium enterprises (MSMEs) which account for 99.5% of all business establishments and employ the majority of the Filipino workforce struggle with thin margins and limited consumer demand.

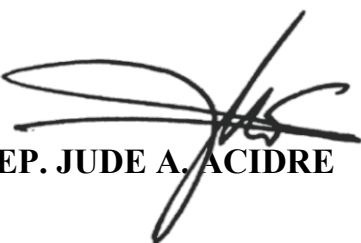
This measure addresses both problems with a single intervention: a direct, regular, and digitally delivered subsidy to minimum wage earners and their families that can only be spent in registered local MSMEs. Unlike traditional cash assistance programs that are one-time, leakage-prone, and often captured by

intermediaries, this bill guarantees that (1) assistance reaches families directly through their digital wallets, (2) the benefit is spread throughout the year through monthly disbursements and a daily spending limit, encouraging use for daily essentials rather than lump-sum consumption, and (3) every peso of public assistance circulates within local communities, stimulating neighborhood economies rather than large retail chains.

This measure is designed to complement, not duplicate, existing social protection programs. Families already receiving assistance under the Pantawid Pamilyang Pilipino Program (4Ps) or its successor conditional cash transfer program remain covered by that program and are excluded from this Act, ensuring that public funds reach a distinct population: minimum wage earners who work full-time yet remain financially strained, and who are typically ineligible for 4Ps but still without a dedicated income supplement.

The measure likewise accelerates financial inclusion and digitalization among both households and small businesses, consistent with the Bangko Sentral ng Pilipinas' Digital Payments Transformation Roadmap.

In view of the foregoing, approval of this bill is earnestly requested.



REP. JUDE A. ACIDRE



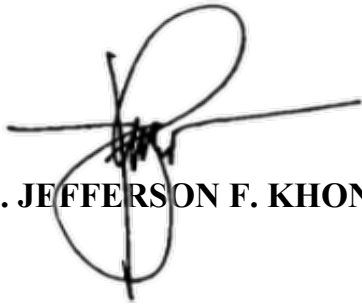
REP. ZIAUR-RAHMAN A. ADIONG



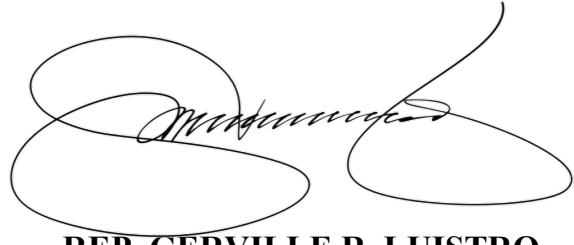
REP. JOEL R. CHUA



REP. JANETTE L. GARIN



REP. JEFFERSON F. KHONGHUN



REP. GERVILLE R. LUISTRO



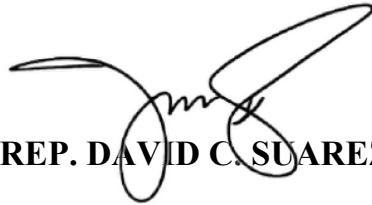
REP. FRANCISCO PAOLO P. ORTEGA



REP. TERRY I. RIDON



REP. RAMON RODRIGO L. GUTIERREZ



REP. DAVID C. SUAREZ



REP. YSABEL MARIA J. ZAMORA



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USE IN LOCAL MICRO, SMALL, AND MEDIUM ENTERPRISES, 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 “Pambansang Agapay sa Pamilya at Maliliit na Negosyo (PAMANA) Act” or the “Family Subsidy Through Local Enterprises Act.”

SEC. 2. *Declaration of Policy.* — It is the policy of the State to promote a just and dynamic social order that will ensure the prosperity and independence of the nation and free the people from poverty through policies that provide adequate social services and an improved quality of life for all. The State recognizes that minimum wage earners, while gainfully employed, continue to face financial strain from the rising cost of living and are largely excluded from existing conditional cash transfer programs intended for indigent and unemployed households. Toward this end, the State shall provide direct financial assistance to minimum wage earners and their families, delivered efficiently through digital means, and channeled toward local micro, small, and medium enterprises to stimulate community-level economic activity.

SEC. 3. *Definition of Terms.* — As used in this Act:

(a) *Minimum Wage Earner* refers to a worker in the private sector paid the statutory minimum wage rate fixed by the appropriate Regional Tripartite Wages and Productivity Board (RTWPB) pursuant to Republic Act No. 6727, as amended, or a worker in the public sector receiving compensation not exceeding the statutory minimum wage, consistent with the definition under Republic Act No. 9504;

(b) *Qualified Family* refers to a family whose Head of Family is a Minimum Wage Earner, duly registered under the Philippine Identification System (PhilSys), and which is not a current household-beneficiary of the Pantawid Pamilyang Pilipino Program (4Ps) or its successor conditional cash transfer program;

(c) *Digital Wallet* refers to an electronic money account issued by an electronic money issuer (EMI) duly licensed and regulated by the Bangko Sentral ng Pilipinas (BSP);

(d) *Local MSME* refers to a micro, small, or medium enterprise as defined under Republic Act No. 9501, otherwise known as the “Magna Carta for Micro, Small and Medium Enterprises (MSMEs),” registered with the Department of Trade and Industry (DTI) or the Securities and Exchange Commission (SEC), holding a valid business permit from the city or municipality where it operates, and accredited as a program merchant under this Act;

(e) *Program Subsidy* refers to the financial assistance granted to Qualified Families under this Act; and

(f) *Head of Family* refers to the Minimum Wage Earner in whose name the digital wallet shall be registered, or, in case of a family with more than one Minimum Wage Earner, the member so designated by the family for purposes of this Act.

SEC. 4. *The PAMANA Program.* — There is hereby established the Pambansang Agapay sa Pamilya at Maliliit na Negosyo (PAMANA) Program, to be administered by the Department of Social Welfare and Development (DSWD), in coordination with the DTI, the BSP, the Department of Information and Communications Technology (DICT), and the PSA.

SEC. 5. *Amount and Manner of Disbursement.* — Every Qualified Family shall receive an annual Program Subsidy of Twelve Thousand Pesos (P12,000.00), disbursed in equal monthly tranches of One Thousand Pesos (P1,000.00), credited directly to the digital wallet of the Head of Family not later than the fifth (5th) day of each month.

SEC. 6. *Daily Spending Limit.* — Subsidy funds may be spent up to a maximum of Two Hundred Pesos (P200.00) per day per family wallet. Unspent daily allowances shall remain in the wallet and may be spent on succeeding days, subject to the same daily limit. Subsidy funds shall not be convertible to cash, transferable to other accounts, or usable for online gambling, alcohol, tobacco, or

other goods and services excluded under the implementing rules and regulations of this Act.

SEC. 7. *Exclusive Use in Local MSMEs.* — The Program Subsidy may be spent only through accredited Local MSMEs. The DTI, in coordination with local government units (LGUs), shall establish a simplified accreditation and onboarding system for MSME merchants, including sari-sari stores, public market vendors, carinderias, and other community-based enterprises, and shall ensure that accredited merchants are equipped to accept digital wallet payments at no cost to the merchant. Settlement of merchant payments shall be made within twenty-four (24) hours from the transaction.

SEC. 8. *Digital Wallet Onboarding and Financial Inclusion.* — The DSWD, the BSP, and the DICT shall ensure that every Head of Family is provided a free, PhilSys-linked digital wallet. For beneficiaries in areas with limited connectivity or without smartphones, the implementing agencies shall provide alternative access mechanisms, including QR-enabled cash cards or offline payment solutions, at no cost to the beneficiary.

SEC. 9. *Identification of Beneficiaries.* — The Department of Labor and Employment (DOLE), in coordination with the Social Security System (SSS), the Bureau of Internal Revenue (BIR), and employers, shall maintain a registry of Minimum Wage Earners based on payroll, SSS contribution, and other employment records, subject to Republic Act No. 10173, otherwise known as the “Data Privacy Act of 2012.”

The DSWD shall cross-match the DOLE registry against the Listahanan, the 4Ps registry, or their successor registries, and shall exclude from the list of Qualified Families any household that is a current 4Ps beneficiary. Self-employed and informal sector workers earning at or below the applicable regional minimum

wage may apply for inclusion through their city or municipal social welfare and development office, subject to verification.

The list of Qualified Families shall be updated quarterly to reflect changes in employment status, regional wage orders, and 4Ps beneficiary status. Any person aggrieved by exclusion from the list, or by removal therefrom, may file an appeal with the DSWD under the procedures provided in the implementing rules and regulations of this Act.

SEC. 10. *Prohibited Acts and Penalties.* — The following acts shall be punishable by a fine of not less than Fifty Thousand Pesos (P50,000.00) nor more than Five Hundred Thousand Pesos (P500,000.00), or imprisonment of not less than six (6) months nor more than six (6) years, or both, at the discretion of the court:

- (a) Fraudulent registration or misrepresentation to qualify for the Program Subsidy;
- (b) Conversion of subsidy funds to cash, or any scheme to circumvent the merchant restriction or daily spending limit, whether by a beneficiary, merchant, or third party;
- (c) Diversion, retention, or misuse of program funds by any public official or employee, without prejudice to prosecution under Republic Act No. 3019, otherwise known as the “Anti-Graft and Corrupt Practices Act,” and other applicable laws; and
- (d) Imposition by any merchant of a surcharge or price differential on subsidy transactions.

SEC. 11. *Transparency and Oversight.* — The DSWD shall maintain a publicly accessible dashboard reporting, on a monthly basis, aggregate disbursements, the

number of beneficiary families, and accredited merchants per province, city, and municipality, subject to Republic Act No. 10173, otherwise known as the “Data Privacy Act of 2012.” A Joint Congressional Oversight Committee is hereby created to review the implementation of this Act.

SEC. 12. *The PAMANA Trust Fund; Appropriations.* — There is hereby created a special fund, to be known as the PAMANA Trust Fund, to be maintained by the Bureau of the Treasury and administered by the DSWD, which shall be used exclusively for the payment of Program Subsidies and the costs of implementing this Act. The Fund shall be sourced from the following:

- (a) Fifty percent (50%) of the incremental revenues from the value-added tax on digital services under Republic Act No. 12023;
- (b) Fifty percent (50%) of the national government share in royalties, windfall profits taxes, and other revenues collected under the fiscal regime for the mining industry;
- (c) The incremental revenues from any law imposing excise taxes on sweetened beverages and pre-packaged food products lacking nutritional value, upon the effectivity thereof;
- (d) Dividends remitted by government-owned or -controlled corporations in excess of the minimum remittance required under Republic Act No. 7656;
- (e) Proceeds from the privatization of idle and non-performing government assets as may be identified by the Privatization Council; and
- (f) Such amounts as may be appropriated under the annual General Appropriations Act.

Any deficiency in the Fund shall be included in the annual General Appropriations Act. Amounts accruing to the Fund shall not revert to the General Fund at the end of the fiscal year and shall be carried over to the succeeding year for the exclusive purposes of this Act, subject to the usual accounting and auditing rules and regulations.

SEC. 13. *Implementing Rules and Regulations.* — Within ninety (90) days from the effectivity of this Act, the DSWD, in coordination with the DTI, the BSP, the DICT, the PSA, and the Department of Budget and Management, shall promulgate the rules and regulations necessary for the effective implementation of this Act.

SEC. 14. *Separability Clause.* — If any provision of this Act is declared invalid or unconstitutional, the remaining provisions not affected thereby shall continue in full force and effect.

SEC. 15. *Repealing Clause.* — All laws, decrees, orders, rules and regulations, or parts thereof inconsistent with the provisions of this Act are hereby repealed or modified accordingly.

SEC. 16. *Effectivity.* — This Act shall take effect fifteen (15) days after its publication in the *Official Gazette* or in a newspaper of general circulation.

Approved,