Mr. Speaker:

The Defeat COVID-19 Ad Hoc Committee to which was referred House Bill No. 6709 introduced by Reps. Cayetano (A.P.), Villafuerte, Duterte, Legarda, Romualdez (F.M.), Yap (E.), Cayetano (M.L.), Defensor (M.) and Sy-Alvarado, entitled:

AN ACT

ESTABLISHING A COVID-19 UNEMPLOYMENT REDUCTION ECONOMIC STIMULUS (CURES) FUND AND INSTITUTING MECHANISMS FOR THE IMPLEMENTATION THEREOF AND APPROPRIATING FUNDS THEREFOR

has considered the same and is recommends the approval of House Bill No. 6920 entitled:

AN ACT

ESTABLISHING A COVID-19 UNEMPLOYMENT REDUCTION ECONOMIC STIMULUS (CURES) FUND AND INSTITUTING MECHANISMS FOR THE IMPLEMENTATION THEREOF AND APPROPRIATING FUNDS THEREFOR

Aragones, Arenas, Arroyo, Babasa, Jr., Balindong, Bañas-Nograles, Barba, Barbers, Baronda, Barzaga, Jr, Bascug, Bautista, Bautista-Bandigan, Belmonte, Benitez, Bernos, Billones, Bolilia, Bondoc, Bordado, Jr, Bravo, Jr., Bustos, Cabredo, Cagas, Calderon, Campos, Jr., Castelo, Celeste, Chatto, Chungalao, Co (A.N.), Co (E.), Collantes, Crisologo, Cua, Cuaresma, Cueva, Dalipe, Dalog, Jr., Datol, Jr., Daza, De Jesus, Defensor (L.), Del Mar, Delos Santos, Deloso-Montalla, Dimaporo (M.K.), Dy III (F.M.C.), Dy (F.), Dy (I.P.), Ebcas, Ecleo, Enverga, Erice, Eriquel, Ermita-Buhain, Escudero, Espina, Jr., Espino, Estrella III, Farinas (R.Ch.), Fernandez, Ferrer (J.M.), Ferrer IV (L.), Flores, Fortun Fortuno, Frasco, Fuentebeella, Garbin, Jr., Garcia III (J.E.), Garcia (P.J.), Garcia (V.), Gasataya, Gato, Jr., Geron, Go (E.C.), Go (M.), Gonzaga, Gonzales, Jr. (A.), Gonzalez II (N.), Gonzalez, Gorriceta, Guico, Harresco, Jr., Hernandez, Hofer, Jalosjos, Javier, Jimenez, Kho (E.), Kho (W.), Khonghun, Labadlabad, Lacson, Lagon, Lara, Lazatin II, Lim, Limkaichong, Lopez (M.L.), Loyola, Lusotan, Macapagal Arroyo, Maceda, Madrona, Malapitan, Magoon, Mangudadatu, Marcoleta, Mariano-Hernandez, Mariño, Marquez, Martinez, Matugas, Mercado, Momo, Sr., Natividad-Nagaño, Nava, Nieto, Nolasco, Nuñez-Malanyaon, Oaminal, Olivarez, Ong, Jr. (J.), Ong (R.), Ortega, Ouano-Dizon, Pacquiao (A.), Pacquiao (R.), Padiernos, Paduaño, Pancho, Panotes, Peña, Jr., Pimentel, Pineda, Plaza, Puno, Radaza, Ramirez-Sato, Ramos, Revilla, Reyes, Robes, Rodriguez, Roman, Romero, Romualdez (Y.M.), Romualdo, Sagbarria, Sakaluran, Salimbangon, Salo, Sanchez, Santos-Recto, Sarmento, Savellano, Siao, Silverio, Singson-Meehan, Sinsuat, Sr., Suansing (E.), Suansing, Jr. (H.), Suarez (A.), Suntay, Taduran, Tallado, Tambunting, Tan (A.S.), Tan (Samier), Tan (S.A.), Tejada, Teves, Jr. (J.), Tiangco, Tolentino, Torres-Gomez, Tulfo, Tupas, Tutor, Ty (D.), Umali, Jr. (A.), Umali (M.V.), Uy (J.), Uy (R.), Valeriano, Valmayor, Jr., Vargas, Vargas-Alfonso, Vergara, Villanueva (N.), Villar, Villarica, Violago, Yap (V.), Yu, Zamora (R.) and Zubiri as authors thereof.

Respectfully submitted,

FERDINAND MARTIN G. ROMUALDEZ
Co-Chairperson
Defeat COVID-19 Ad-Hoc Committee

THE HONORABLE SPEAKER
HOUSE OF REPRESENTATIVES
QUEZON CITY
Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City

EIGHTEENTH CONGRESS
First Regular Session

HOUSE BILL NO. 6920

(In substitution of House Bill No. 6709)

AN ACT ESTABLISHING A COVID-19 UNEMPLOYMENT REDUCTION ECONOMIC STIMULUS (CURES) FUND AND INSTITUTING MECHANISMS FOR THE IMPLEMENTATION THEREOF AND APPROPRIATING FUNDS THEREFOR
Section 1. **Title.** - This Act shall be known as the "**The Covid-19 Unemployment Reduction Economic Stimulus (CURES) Act of 2020**".

Section 2. **Declaration of Policy.** - Infrastructure in various socio-economic sectors is the backbone of the country’s economy. With the possibility of an economic downturn and unemployment inevitably arising from the restrictive lockdown measures implemented by the Philippine government to curb the transmission of the Covid-19 virus among Filipinos, it is the declared policy of the State to develop more stimulative measures and implement interventions that will create new jobs, protect existing employment-generating activities, and promote the equitable distribution of resources towards the eradication of poverty and the integral inclusive development of the Filipino people.

Thus, there is an urgent need to: **a) establish a Special Fund** that shall be disbursed primarily for the implementation of infrastructure projects across these priority areas - Health, Education, Agriculture, Local Roads/Infrastructure and Livelihood (HEAL); **b) define the guidelines, criteria, and standards in accessing, implementation, and evaluation of use of the same fund; and c) establish the government authority and body which shall be responsible for the collection, evaluation, approval, and oversight of the projects and activities to be undertaken under the same fund.

Section 3. **Appropriation, Automatic Release and Fund Availability.** - The amount of **One Trillion Five Hundred Billion Pesos (PHP1,500,000,000,000.00)** is hereby appropriated for the establishment of the Covid-19 Unemployment Reduction Economic Stimulus (CURES) Fund.

The budgetary requirements for projects approved for implementation under the CURES Fund shall be **automatically released to the implementing unit in order to** facilitate the start-up and completion of projects and removing existing regulations and issuances that would impede the same.
Appropriation for the CURES Fund shall be made available as they are hereby appropriated for three (3) fiscal years from the approval of this Act under the following schedule: five hundred billion pesos (PHP500,000,000,000.00) on the first year, five hundred billion pesos (PHP500,000,000,000.00) on the second year, and five hundred billion pesos (PHP500,000,000,000.00) on the third year. After three years, Congress shall enact legislation extending or modifying the same or terminating the Fund. In the latter case, the unobligated balance shall be made available for the general budgetary requirements of the year succeeding its termination.

Section 4. *Eligibility.* - Infrastructure projects under the priority areas (HEAL -Health, Education, Agriculture, Local Roads/Infrastructure and Livelihood) shall be implemented through the CURES Fund provided that a project to be eligible shall be located in an area that on the date of the submission of the application by the designated department or agency of the National Government authorized to receive, screen and evaluate the project for implementation shall meet the priority guidelines for the fiscal year under consideration by the Executive Cluster Committee established under this Act.

4.1. *Implementing Units* - The implementation of projects under the CURES Fund shall be undertaken by national government departments / agencies authorized by law or their charter to implement such class of projects. Such departments/agencies may, however, enter into a Memorandum of Agreement with a local government unit provided that said local government unit possesses the capacity to implement and maintain the same after construction.

4.2. No project shall be approved for implementation under the CURES Fund unless the proponent can demonstrate that actual work on the same can realistically commence within a period of 90 working-days from the release of the Special Allotment Release Order (SARO) from the Department of Budget and Management).
Section 5. **Project Classes.** Infrastructure projects to be funded under this Act shall primarily be for construction (and related activities, e.g., repair, improvement, etc.) purposes but may include the procurement of the necessary and essential equipment and implements for the operations of the same. No money shall be paid out of this fund for the payment of personnel services, job order salaries, professional and consultancy fees, the conduct of trainings, seminars, sports and cultural activities, of the Local Government units where the projects are located.

5.1. **Health-Related Projects** to be funded through the CURES Fund shall prioritize the following:

a. construction/improvement/expansion of barangay or municipal health centers, or the procurement of start-up equipment and supplies for new/existing facilities under this class;

b. construction/improvement/expansion of Municipal or City Health clinics, hospitals, and other facilities or the procurement of start-up equipment and supplies for new/existing facilities under this class;

c. construction/improvement/expansion of Provincial and District Hospitals and Municipal Health facilities and the procurement of equipment and supplies for new/existing facilities under this class;

d. construction of testing centers and isolation facilities for communicable diseases and additional intensive care units at local hospitals;

e. purchase of IT equipment or laboratory facilities to enable immediate coordinated health response to suppress transmission of contagious or communicable diseases, information exchange, and contact tracing;
f. purchase of equipment to upgrade hospital records into an electronic health records system;

g. infrastructure investment for "telehealth" services, e-prescriptions, and mobile or remote access to health records;

h. purchase of cloud-based platforms for clinical data analysis, management, and consolidation;

i. construction of wastewater or sewage treatment plants or disposal facilities to minimize chemical and microbial hazards associated in human and hospital waste.

5.2. Education-Related Projects to be funded through the CURES Fund shall prioritize the following construction/expansion improvement of school buildings and classrooms to decongest school facilities

a. construction of washing and sanitation areas, toilets in every school

b. construction/repair/improvement of other school facilities for industrial arts, culinary services, libraries, covered courts, etc.

c. construction/repair/improvement of alternative learning centers, including E-Learning System classrooms and the procurement of equipment and supplies for the operations of facilities under this class;

d. construction/repair/improvement of youth civic centers, gymnasium, and sports or athletic facilities;

e. construction/improvement or expansion of technical-vocational learning centers and the procurement of
equipment and supplies for the operations of facilities under this class; and

f. the establishment of digital infrastructure (IT facilities, IT hubs) in any public educational, training, or learning institution and the procurement of equipment and supplies that will facilitate Electronic Learning / Remote or Distance Learning in the localities.

5.3. **Agriculture-Related Projects** to be funded thru the CURES Fund shall prioritize the following:

a. construction/repair/improvement of municipal, provincial fish ports or docks (with ample space that could support social distancing for direct buyers) and their connecting road/access networks and other necessary buildings/attached facilities or equipment for use therein;

b. construction/repair/improvement of post-harvest facilities (including cold storage facilities, fish landing for aqua-fisheries, meat processing and packaging centers for commercial distribution, etc.) and the procurement of farming machinery or equipment and fishery equipment (motorized fishing vessels, gill nets, etc.) for facilities and activities under this class;

c. construction/repair/maintenance of municipal/provincial livestock facilities, hatcheries, fish nurseries, and other aqua-fishery facilities;

d. construction/repair/improvement of barangay/ municipal/ city/provincial trading (bagsakan) centers, food terminals, and/or satellite markets following a floor plan that allows social distancing;

e. construction/repair/improvement of municipal/ city/ provincial abattoirs and hazard free packaging facilities;
f. construction/repair/improvement of barangay/municipal/provincial agricultural training centers, nurseries, and other agri-fishery research and development facilities;

g. construction/repair/improvement of drainage and irrigation systems for flood-prone agricultural areas;

h. construction or acquisition of more modern fishing vessels for cooperatives and fabrication of more fishnets, and other agri-fishery implements; and

i. construction of alternative livelihood facilities for agricultural workers that would involve processing economically significant agri-business output.

5.4. Local Roads/Infrastructure and Livelihood Projects to be funded through the CURES Fund shall prioritize the following:

a. construction or expansion of farm-to-market roads with adjoining solar drying pavements to facilitate transport of goods and supplies.

b. construction/improvement/expansion of provincial, municipal or barangay roads affecting vulnerable communities;

c. construction/improvement/expansion of local roads (provincial, municipal and/or barangay), roads, and other networks connecting schools, state-owned universities and colleges and government-operated community colleges to communities;

d. construction/repair/improvement of local roads (provincial, municipal and/or barangay) connecting communities to
health facilities (hospitals, testing centers, reserved quarantine and isolation facilities, etc.);

e. construction of provincial, municipal and/or barangay new road openings; and

f. construction of walking or bicycle lanes projects and construction of bridges across creeks or irrigation canals.

g. construction of evacuation centers and disasters emergency facilities.

h. construction, expansion or improvement roads /pedestrian lanes in provinces outside National Capital Region (NCR) that go to tourist facilities, beach areas or mountain parks and/or roads going to new business districts, new economic zones or MSME business hubs.

i. the implementation of an Enhanced Sustainable Livelihood Program under the Department of Social Welfare and Development (DSWD).

j. the implementation of an Enhanced Tupad Program under Department of Labor and Employment (DOLE).

k. the implementation of the proposed Barangay Emergency Employment Program (Beep) under DOLE to generate employment and mitigate unemployment due to COVID-19 and ensure income for formal and informal sectors during the post-COVID-10 recovery stage.

l. the establishment of access to credit and financing for Small and Medium Enterprises (SMEs).

m. the establishment of Research and Development (R&D) programs for product development and enterprise diversification.
n. building/construction of integrated agricultural processing facilities for high-value agricultural products.

o. the building/construction of production hubs and local livelihood product marketing and trading centers to improve trade linkages and partnerships.

p. the enhancement of human resource capacity such as Technical Vocational Training and Education and the construction of training centers and knowledge transfer facilities.

Section 6. **The CURES Fund Executive Cluster Committee.** An Executive Cluster Committee is Hereby Established for the Purpose of Formulating Guidelines in the Administration of the CURES Fund and the Designation of the Executive Department or Agencies that shall Receive Applications, Screen and Vet and Process for Implementation projects authorized under this act.

a. **Composition of the Executive Cluster Committee (or their duly authorized representative):**

   Chairperson  -  Secretary of the Presidential Adviser for Flagship Programs and Projects

   Vice-Chairs  -  Secretary of Public Works & Highways
                  Secretary of Finance

   Members  -  Secretary of Health
              Secretary of Education
              Secretary of Agriculture
              Secretary of Trade and Industry
              Secretary of Interior and Local Government

   Secretariat  -  Director-General of the National Economic Development Authority
b. Roles and Responsibilities of the Executive Cluster Committee

i. within 15 days from the approval of this Act, the CURES Fund Executive Cluster Committee shall convene to formulate its Implementing Rules and Regulations (IRR) which shall include among others, if deemed necessary, the standard formula calculating the multiplier effect of the infrastructure project to be implemented considering its effects on local employment and job creation as one of the primary screening factor in project selection and approval;

ii. the Executive Cluster Committee shall establish and maintain an Open and Publicly Accessible Online Portal through which projects funded out of this Act may be monitored;

iii. the Executive Cluster Committee shall, pursuant to the eligibility criteria established in this Act and further specified in the subsequent IRR and using the formula adopted, approve priority areas for funding consideration, including the projects which may be implemented therein based on the most advantageous to local employment and job creation as determined by the adopted formula;

iv. the budgetary requirements for the implementation of approved projects under the CURES Fund shall be automatically downloaded to the accounts of the implementing departments/ agencies with the implementation and use of the same subject to usual government audit regulations;

Section 7. Reporting Requirement. — The Executive Cluster Committee shall periodically compile all the reports of the implementing department/agencies including the projects implemented by or through local government units and shall submit within 25 days at the end of every semester, a semestral report of the
status of the projects to the office of the President of the Republic of the Philippines and to the Congress of the Philippines through the office of the Senate President and the Speaker of the House of Representatives.

Section 8. **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 thereof which are not affected thereby shall continue to be in full force and effect.

Section 9. **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 9. **Effectivity.** – 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,
Comment of Committee on Appropriations

Chairman Eric Go Yap re House Bill No. 6656, CURES Act of 2020

In the absence of a Certification of Availability of Funds from the Bureau of the Treasury to support the provisions of the proposed measure, this Representation proposes the following amendment.

On lines 2 and 3 of subparagraph 3, Section 3, page 9, delete the phrase "the approval of this Act" and in lieu thereof insert the phrase YEAR FOLLOWING ITS ENACTMENT INTO LAW.

Section 3 now reads as follows:


The amount of One Trillion Five Hundred Billion Pesos (PHP 1,500,000,000,000.00) is hereby appropriated for the establishment of the COVID-19 Unemployment Reduction Economic Stimulus (CURES) Fund.

The budgetary requirements for projects approved for implementation under the CURES Fund shall be automatically released to the implementing unit in order to facilitate the start-up and completion of projects and removing existing regulations and issuances that would impede the same.

Appropriation for the CURES Fund shall be made available as they are hereby appropriated for three (3) fiscal years from the YEAR FOLLOWING ITS ENACTMENT INTO LAW under the following schedule: five hundred billion pesos (PHP500,000,000,000.00) on the first year, five hundred billion pesos (PHP500,000,000,000.00) on the second year, and five hundred billion pesos (PHP500,000,000,000.00) on the third year. After three years, Congress shall enact legislation extending or modifying the same or terminating the Fund. In the latter case, the unobligated balance shall be made available for the general budgetary requirements of the year succeeding its termination.