

[REPUBLIC ACT NO. 4861, September 08, 1966]

AN ACT AMENDING SECTION ONE OF REPUBLIC ACT NUMBERED ONE THOUSAND, ENTITLED "AN ACT AUTHORIZING THE PRESIDENT OF THE PHILIPPINES TO ISSUE BONDS TO FINANCE PUBLIC WORKS AND PROJECTS FOR ECONOMIC DEVELOPMENT, AUTHORIZED BY LAW, AND FOR OTHER PURPOSES," AS AMENDED.

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

SECTION 1. Section one of Republic Act Numbered One thousand is hereby amended to read as follows:

"SECTION 1. Upon the recommendation of the Secretary of Finance, the Monetary Board, and the National Economic Council, the President of the Philippines is authorized to issue, preferably in the Philippines, or abroad if necessary, in the name and in behalf of the Republic of the Philippines bonds in an amount not exceeding two billion pesos to finance public works and self-liquidating projects for economic development, which are authorized by law, including expropriation of lands for subdivision and resale to individuals, or to repay or service bonded obligations of the Government incurred for such projects: *Provided, however,* That no single issue shall exceed two hundred million pesos and that no further issue shall be made if eighty *per centum* of the immediately preceding issue has not been sold: *And, provided, further,* That not more than twenty-five *per centum* of any issue is spent for non-self-liquidating and non-revenue-producing projects. A self-liquidating project is defined as one which directly generates revenue to at least pay for its cost within the maturity period of bonds issued for the purpose. Cost is denned as actual cost of the project plus interest payments and service charges. Investments in the self-liquidating projects in provinces, cities, and municipalities shall be limited by the paying capacity of the province, city or municipality to be certified by the Secretary of Finance: *Provided,* That the probable income from such projects shall be taken into consideration: *Provided, finally,* That not more than live *per centum* of this bond issues shall be used to pay unserviced government obligations, loans and advances, secured or unsecured, guaranteed by the National Government, made by government-owned or controlled financial institutions other than the Central Bank, to government political subdivisions, offices and instrumentalities, and/or other loans committed by government-owned and/or controlled financial institutions, other than the Central Bank, guaranteed by the Government.

"The bonds shall be issued in such amounts as will be needed at any one