

[ **REPUBLIC ACT NO. 906, June 20, 1953** ]

**AN ACT APPROPRIATING FUNDS FOR THE OPERATION OF THE GOVERNMENT OF THE REPUBLIC OF THE PHILIPPINES DURING THE PERIOD FROM JULY FIRST, NINETEEN HUNDRED AND FIFTY-THREE TO JUNE THIRTIETH, NINETEEN HUNDRED AND FIFTY-FOUR, AND FOR OTHER PURPOSES.**

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

SECTION 1. **Appropriation of funds.**—The following sums or so much thereof as may be necessary, are appropriated out of any funds in the Philippine Treasury not otherwise appropriated for the operation of the Government of the Republic of the Philippines during the period from July first, nineteen hundred and fifty-three to June thirtieth nineteen hundred and fifty-four, except where otherwise specifically provided:

[Itemized portions on salaries and wages and other expenditures are omitted for lack of space]

SEC. 2. **Allotment of appropriations.**—The appropriations for sundry expenses, furniture and equipment, and special purposes for the Office of the President shall be allotted by the President among the bureaus and offices under his direct control; those for the Executive Departments, by the Heads of Departments among the bureaus and offices under their respective control, as the needs of the service may require.

SEC. 3. **Authority to pay salaries not in conformity with the prescribed grades or rates of compensation.**—Payment to incumbent employees of salaries the rates of which are not in conformity with the schedule of grades or rates of compensation provided in section three of Commonwealth Act Numbered Four hundred and two, as amended, is hereby authorized: PROVIDED, That new appointments, whether original or promotional, to positions not carrying the salary rates prescribed in Commonwealth Act Numbered Four hundred and two, as amended, shall be made only at the rates authorized in the said Act.

SEC. 4. **Authority to use savings in appropriations for "salaries and wages," for "sundry expenses," and for "furniture and equipment" to cover deficits.**—Except as otherwise provided in this Act, any savings in the regular appropriations authorized in this Act for the Executive Departments for salaries and wages, Tor sundry expenses, and for furniture and equipment of the bureaus and offices under any Department, may, with the approval of the President, be used to cover a deficit in any other item of the regular appropriations, except for salaries and wages, under the same Department. Likewise, any savings in the appropriations for salaries and wages, for sundry expenses, and for furniture and equipment of any item under

"special purposes," may, with the approval of the president, be used to cover a deficit in any other item of appropriation, except for salaries and wages, under the same purpose. In no case, however, shall any item in the regular appropriations and appropriations for "special purposes" be augmented, pursuant to the authority granted in this section, by more than twenty-five per centum of the original appropriation provided in this Act for such item.

**SEC. 5. Quarterly report to Congress on transfers of appropriations.**—The Auditor General and the Commissioner of the Budget shall report to the Congress quarterly any transfer of appropriation made to cover a deficit, the report to specify the items and the amounts involved and in as many copies as there are members thereof.

**SEC. 6. Authority to use savings for other purposes.**— The President of the Philippines is authorized to use any savings in the appropriations authorized in this Act for the Executive Departments (1) for the payment of claims under section 699 of the Revised Administrative Code and the Workmen's Compensation Act, whichever is applicable, to officers, employees and laborers who died or were injured in line of duty; (2) for the commutation of the money value of the additional leave, extended leave and accrued leave earned by American and deceased Filipino officers and employees, or by Filipino officers and employees separated from the service except for cause, for service rendered prior to November twenty-ninth, nineteen hundred and thirty-six; (3) for the payment of salary increases of officials and employees of the National Government, resulting from the standardization of salaries or reclassification of provinces and municipalities; (4) for the purchase of furniture and equipment to replace those that may be lost through accident, fire or other calamity, or may have been damaged through the same cause, the disposal of which is deemed reasonable and necessary, if it would be more expensive to have them repaired, and for the purchase with the approval of the President of furniture and equipment to replace unserviceable ones condemned by the Auditor General; (5) for the payment of salaries of suspended employees who have subsequently been exonerated; (6) for the payment; of the share of the National Government in the salaries of national officials in newly created cities and provinces where no appropriation has been provided therefor; (7) for the payment to the Government Service Insurance System of the three per cent contribution of the Government for the employees' insurance premiums corresponding to the period from December thirty-first, nineteen hundred and forty-one to February twenty-eighth, nineteen hundred and forty-five, pursuant to section four of Republic Act Numbered One hundred thirty-two, the provisions of section 7(c) of Commonwealth Act Numbered One hundred eighty-six, as amended, to the contrary notwithstanding; (8) for the payment of commuted sick and vacation leaves of employees who may be retired under the provisions of Republic Act Numbered Six hundred sixty; (9) for the payment of additional compensation to government nurses assigned to public health nursing at P50 a month in lieu of quarters, subsistence and laundry allowances as provided under section three of Republic Act Numbered Six hundred forty-nine; (10) for the purchase or rental of accounting machines to carry out the plan of mechanizing the accounting system in the Government; (11) for the payment of premiums on insurance of government buildings and properties with the Property Insurance Fund in accordance with Republic Act No. 656; (12) for the adjustment of salaries of nurses and physicians of the Department of Health pursuant to the provisions of Republic Acts Numbered Six hundred forty-nine and Six hundred seventy-five; (13) for the payment of the obligation of the National Government

under the provisions of subsection (a) under section 2553 of the Revised Administrative Code; and (14) for the payment of the cash commutation of the accumulated vacation and sick leave of former employees of the Import Control Commission, not exceeding P100,000, in accordance with Republic Act No. 611.

**SEC. 7. Suspension of expenditure of appropriations.**— Except as otherwise provided in this Act and whenever in his judgment the public interest so requires, the President is authorized to suspend or otherwise stop the expenditure of any amount herein appropriated in any item or items for the Executive Departments for any purpose, except those for salaries of positions with incumbents, and thereupon the funds affected by such action shall become available for any other expenditures authorized in this Act for the Executive Departments, except for salaries and wages, as the President may determine. In no case, however, shall any item of appropriation be augmented, pursuant to the authority granted in this section, by more than twenty-five per centum of the original appropriation provided in this Act for such item nor shall the total amount of transfers to the Office of the President exceed P200,000: Provided, That the Auditor General and the Commissioner of the Budget shall report to the Congress within a period of thirty days any suspension or transfer of funds made by the President during the previous quarter.

**SEC. 8. Provision for "excess of actual salary."**—The item of appropriation for "excess of actual salary" provided in this Act under "salaries and wages" shall be paid to the incumbent of the position to which said excess" pertains who is actually receiving the same "excess" as part of the salary granted to him upon his appointment to the said position before the reduction of the basic pay thereof to the amount provided herein: PROVIDED, HOWEVER, That if the position be vacated and the successor to its previous incumbent shall have previously received an equal salary plus the "excess of actual salary" in the same or any other branch of the government service, such excess shall be allowable to him.

**SEC. 9. Allotment of funds to cover authorized appropriations.**—

- a. No appropriation to any bureau, office or agency become available for expenditure until such bureau, office or agency shall have submitted to the Budget Commissioner a request for allotment of funds, such for allotment to consist of an estimate of the amount required for each activity and each purpose for which money is to be expended during the applicable allotment period, and until such estimate contained in the said request for allotment shall have been approved, increased or decreased by the Budget Commissioner and funds allotted therefor as hereinafter provided. The form of the said request for allotment shall be prescribed by the Budget Commissioner and shall be submitted to him at least 25 days prior to the beginning of the allotment period.
- b. For purposes of the administration of the allotment system herein provided, each fiscal year shall be divided into four quarterly allotment periods beginning, respectively, on the first day of July, October, January and April: PROVIDED, That in any case where the quarterly allotment period is impracticable, the Budget Commissioner may prescribe a different period suited to the circumstances but not extending beyond the end of the fiscal year.
- c. Each request for allotment shall be reviewed by the Budget Commissioner and the respective amounts therein shall be allotted for expenditures, provided the

estimate therein is within the terms of the appropriations as to amount and purpose, having due regard for the probable future needs of the bureau, office or agency for the remainder of the fiscal year or other term for which the appropriation was made, and provided the bureau, office or agency contemplates expenditure of the allotment during the period. Otherwise, the said Budget Commissioner shall modify the estimate so as to conform with the-terms of the appropriation and the prospective needs of the bureau, office or agency, and shall reduce the amount to be allotted accordingly. The Budget Commissioner shall act promptly upon all requests for allotment and shall notify every bureau, office or agency of its allotments at least 5 days before the beginning of each allotment period. The total amount allotted to any bureau, office or agency for the fiscal year or other term for which the appropriation was made shall not exceed the amount appropriated for said year or term.

- d. The Budget Commissioner shall also have authority at any time to modify or amend any allotment previously made by him.
- e. In case the Budget Commissioner shall discover at any time that the probable receipts from taxes or other sources for any fund will be less than were anticipated and that as a consequence the amount available for the remainder of the term of the appropriation, or for any allotment period will be less than the amount estimated or allotted therefor, he shall, with the approval of the President, and after notice to the bureau, office or agency concerned, reduce the amount or amounts allotted, or to be allotted, so as to prevent a deficit.
- f. The Budget Commissioner shall promptly transmit records of all allotments and modifications thereof to the Auditor General, the Chairman of the Committee on Finance of the Senate and the Chairman of the Committee on Appropriations of the House of Representatives.
- g. The Budget Commissioner shall maintain records showing at all times by funds, accounts, and other pertinent classifications for the amounts appropriated, the estimated revenues, the actual revenues or receipts, the amounts allotted and available for expenditures, the un-liquidated obligations, actual balances on hand, and the unencumbered balances of the allotments for each bureau, office or agency.
- h. No payment shall be made and no obligation shall be incurred against any fund, allotment or appropriation unless the accounting officers of the Budget Office shall first certify that there is a sufficient unencumbered balance such fund, allotment or appropriation, after taking consideration all previous expenditures and outstanding obligations, to meet the same.
- i. Every expenditure or obligation authorized or incurred in violation of the provisions of this Act shall be void. Every payment made in violation of the provisions of this Act shall be illegal, and every official authorizing or making such payment, or taking part therein, and every person receiving such payment, or any part thereof, shall be jointly and severally liable to the Government for the full amount so paid or received. If any officer or employee of the Government shall knowingly incur any obligation or shall authorize or make any expenditure in violation of the provisions of this Act, or take part therein, it shall be ground for his removal by the officer appointing him, and if the appointing officer be other than the President and shall fail to remove such officer or employee, the President shall exercise such power of removal after giving notice of the charges and opportunity for hearing thereon to the accused officer or employee and to the officer appointing him.

- j. Since the effective operation of the allotment system with respect to the appropriations authorized in this Act is affected by the appropriations authorized in other acts, the provisions of this section relating to the allotment system are hereby made expressly applicable to other appropriations and funds of all kinds, including standing or continuing appropriations, and special trust and other funds; but the provisions hereof relating to the allotment system shall not apply to appropriations for the Congress of the Philippines, Supreme Court, Court of Appeals, Courts of First Instance and Justice of the Peace Courts nor to appropriations or any other monies made available for the General Auditing Office and the Commission on Elections.

**SEC. 10. Renting of automobiles, jitneys or trucks for a continuous period exceeding fifteen days prohibited.**—No appropriation provided in this Act for the Executive Departments shall be used for renting automobiles, jeepneys or trucks on the monthly basis nor on the daily basis for a continuous period exceeding fifteen days.

**SEC. 11. Authority to purchase motor vehicles.**—No appropriation authorized in this Act shall be used for the purchase of automobiles, jeepneys, jeeps, station wagons, motorcycles and other motor vehicles unless otherwise specifically provided in this Act

**SEC. 12. Officials entitled to government motor transportation.**—The following officials are entitled to use government motor transportation chargeable against the appropriations authorized in this Act:

1. The President of the Philippines,
2. The Vice-president of the Philippines,
3. The President of the Senate,
4. The Speaker of the House of Representatives,
5. The President Pro-Tempore of the Senate
6. The Majority Floor Leader of the Senate,
7. The Chairman, Committee on Finance, of the Senate,
8. The Chairman, Committee on Accounts, of the Senate,
9. The Chairman, Committee on Foreign Relations, of the Senate,  
(9a) The Chairman, Committee on Public Works, of the Senate,
10. The Minority Floor Leader of the Senate,
11. The Secretary of the Senate,
12. The Speaker Pro-Tempore of the House of Representatives,
13. The Majority Floor Leader of the House of Representatives,
14. The Chairman, Committee on Appropriations, of the House of Representatives,
15. The Chairman, Committee on Accounts, of the House of Representatives,
16. The Chairman Committee on Foreign Affairs, of the House of Representatives,  
16a) The Chairman, Committee on Public Works of the House of Representatives,
17. The Minority Floor Leader of the House of Representatives,
18. The Secretary of the House of Representatives,
19. The Chief Justice of the Supreme Court,
20. The Presiding Justice of the Court of Appeals,
21. The Auditor General,
22. The Ambassadors, Ministers Plenipotentiary and Consuls in charge of consulates while in their respective stations abroad, and