

FOURTEENTH CONGRESS OF THE REPUBLIC)
OF THE PHILIPPINES)
First Regular Session)

SECRETARY
7 FEB 1978

SENATE

P.S. RES NO. 235

RECEIVED BY: [Signature]

Introduced by **SENATOR PIA S. CAYETANO**

A RESOLUTION

DIRECTING THE APPROPRIATE SENATE COMMITTEES TO CONDUCT AN INQUIRY, IN AID OF LEGISLATION, ON THE NEED TO REVISIT THE AUTOMATIC APPROPRIATIONS PROVISION PROVIDED UNDER SECTION 31 OF PRESIDENTIAL DECREE NO. 1177

WHEREAS, Presidential Decree No. 1177 (PD 1177), otherwise known as "Budget Reform Decree of 1977," was enacted on 30 July 1977;

WHEREAS, at the time of the enactment of PD 1177, it has been established that the Philippines was in a "debt crisis," necessitating the passage of such legislation;

WHEREAS, under Section 31(b) of PD 1177, all expenditures for principal and interest on public debt are automatically appropriated.

WHEREAS, the automatic appropriations provision states that public debts, including the principal and interest, are automatically appropriated, regardless of the legitimacy of the debt or the benefits actually enjoyed by the general public;

WHEREAS, 30 years have passed since the enactment of PD 1177;

WHEREAS, despite the changes in the social conditions that existed during the passage of PD 1177, the payment for national debts, regardless of its legitimacy and usefulness, continues to be automatically appropriated;

WHEREAS, due to the automatic debt appropriation, the Philippines is no longer within the period of "debt crisis" but appears to be in "social services crisis" wherein there exists to be a failure of the national government to provide basic social services to the Filipino people;

WHEREAS, there is a need to revisit the provision on automatic appropriations as provided in PD 1177 to be able to assess its applicability given the changing conditions;

NOW THEREFORE, BE IT RESOLVED, AS IT IS HEREBY RESOLVED, that the appropriate Senate Committees conduct an inquiry, in aid of legislation, on the applicability of the automatic appropriations provision provided under Section 31 of Presidential Decree No. 1177 (PD 1177) given the changing conditions.

Adopted,

[Signature]
SENATOR PIA S. CAYETANO