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SENATE

Senate Bill No. 717

RECEIVED BY



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INTRODUCED BY SEN. JINGGOY EJERCITO ESTRADA

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EXPLANATORY NOTE

The Senate Committees on Agriculture and Blue Ribbon, after a tedious and several months of investigation, in aid of legislation, came up with its astounding preliminary report that the fertilizer fund comprising a whopping amount of Seven Hundred Twenty Eight Million Pesos (P728,000,000.00) as covered by the farm inputs and implements program was a systematic, premeditated and grand agricultural theft constituting the rape of a nation that was adopted solely to suit the electoral victory of certain candidates. This, albeit, and notwithstanding the mischievous refusal of cabinet officials and their uncooperative stance in not appearing in the hearings despite subpoena through sheer invocation of E.O. 464.

It is unfortunate that the helpless and hapless farmers and fishermen who were the direct victims of that grand larceny, did not realize about the magnitude and gravity of the fraudulent and criminal use of funds supposedly due them for their farming needs to bring about their liberation from the hard times and crunched financial condition, not until this chamber concluded its committee investigations. The impoverished Juan dela Cruz and its taxpayers were further robbed of their hard earned contribution to the government coffers.

Thus, it is the bill's purpose to give credit to the salutary and great efforts of the committees in pursuing and finishing their investigation in aid of legislation and on that basis, to forthwith initiate a legislative measure that will henceforth give protection to all government appropriations for the use of farmers and fisherfolk, simplify the availment, requisition and release of funds or goods intended for them, rather than retain the rotten system that enabled unscrupulous government officials in perpetrating their nefarious schemes of defrauding the recipients of government funds and goods, and institutionalize stiffer penal sanctions to those who intend to duplicate the criminal schemes involved in the notorious fertilizer fund scam that had cost the nation P728 Million in wasted funds.


In view of the foregoing considerations, early passage of this bill is earnestly sought.



JINGGOY EJERCITO ESTRADA  
Senator

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AN ACT  
INSTITUTING THE FARMERS' AND FISHERFOLK ASSISTANCE ACT OF  
2010 AND FOR OTHER PURPOSES

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

**SECTION 1. Title of the Act.** This Act shall be known as the "**Farmers' and Fisherfolk Assistance Act of 2010.**"

**SEC. 2. Declaration of Policy.** It is the policy of the state to effectively assist and provide funds for the farmers', fisherfolk and other agricultural sectors' needs, insulating the funds from misuse, misappropriation or diversion, imposing penalties for violation thereof.

**SEC. 3. Definition of Terms.** (a) **Farmers** – refer to natural persons cultivating, planting, marketing and distributing crops, vegetables, fruits and other agricultural products from land and sea and shall include fisherfolk; (b) **Other Farmers** – refer to corporations, associations, cooperatives, foundations, NGOs, people's organizations and artificial beings with juridical capacity involved in similar activities stated in paragraph (a) hereof as done by farmers; (c) **Funds** – refers to appropriation from public funds for use of the farmers included in the General Appropriations Act, special laws or local ordinances intended for the farmers; (d) **Farm use** – refers to seedlings and fertilizers including farm tools, gadgets, implement and equipment necessary for cultivation, development, improvement or fertilization of farmlands, orchards and other agricultural lands; (e) **Department** – refers to the Department of Agriculture.

**SEC. 4. Requisition, Release and Disbursement of Funds** – Any provision of law to the contrary notwithstanding, the requisition, release and disbursement to farmers of funds intended or earmarked for use in the cultivation, development, improvement or fertilization of farmlands, orchards and other lands devoted to the planting of crops, agricultural food products, vegetable and fruits shall be through a Voucher System whereby the farmers themselves shall determine and requisition the farm inputs, implements and other farm uses as they need and submit such through vouchers to the regional office of the Department for approval of the Regional Director and release within a period of not exceeding sixty (60) days from approval based on and within the allocation in the budget for the specific locality where the farm is located; *Provided, however,* that in purchasing or making available such agricultural inputs, implements and other farm uses as determined by the totality of the aggregate vouchers or

requisitions, the provisions of Republic Act No. 9184, otherwise known as the Government Procurement Act of, 2003, shall be strictly complied with by the Regional Director of the Department.

**SEC. 5. Internal Pre-Audit Service.** – In lieu of purchasing the said requisitioned agricultural farm inputs, implements and other farm uses, the Regional Office, may release funds directly to the requesting farmer, in which case, he shall immediately submit all the covering documents to the internal auditor in the region who shall, not later than thirty (30) days from such receipt, submit his audit report to the national office of the Department charged with monitoring the use of the funds, implementation of the project and evaluation of the progress or effects of the program to the country, furnishing copies thereof to the Congressional Oversight Committee on Agriculture.

**SEC. 6. Violations and Penalties.** – The following violations shall constitute criminal offenses punishable under this Act as follows:

- (a) Diversion, misuse or misappropriation of the funds or a portion thereof or of the farm inputs, implements and other farm uses intended to be released to the farmers, or falsely or fraudulently making it appear that such requisition or release of funds or farm inputs has been made when in fact there is none, shall, in addition to the penalties provided for in the Revised Penal Code, be punishable with imprisonment of not less than twelve (12) years but not more than twenty (20) years; *Provided, however, if such funds or farm uses be utilized for election purposes, money laundering or other illegal and unlawful activities, the penalty shall be imposed in the maximum period; Provided finally, That in the event it is established that the use of the whole or a portion of the fund or farm uses also constitutes the crime of plunder, the penalty for plunder shall be applied.*
- (b) Any farmer, group, corporation, association, cooperative, foundation, NGO, people organization or other artificial being with juridical capacity granted any fund or farm uses which shall use the same for vote-buying, reselling or purposes other than those provided herein or shall be involved in the false or fraudulent requisition or misuse or misappropriation of the fund or farm uses, shall be punishable with imprisonment of not less than ten (10) years but not more than fifteen (15) years; *Provided, however, in case of a corporation, association, cooperative, foundation, NGO, people's organization or other artificial being with juridical capacity, whether registered or not, composed of two or more persons, the stockholders, members, directors, trustees, officers and the individuals composing it shall be liable in their personal capacity and suffer the penalties provided herein unless the individuals composing it shall prove that he/she never took part in the transaction and benefited from the proceeds of the funds or the farm uses;*
- (c) Failure or unjustifiable refusal of the Regional Director or his subordinate to act upon, process and evaluate within the period of time hereinbefore fixed or to release the funds or farm uses to the farmer applicant when there is no legal nor justifiable reason

to do so shall be punishable with imprisonment of not less than six (6) years but not more than twelve (12) years; and

- (d) Any other violation of this Act shall be punishable with imprisonment of not less than five (5) years nor more than ten (10) years.

**SEC. 7. Repealing Clause.** All laws, decrees, executive orders and Republic Acts inconsistent herewith are hereby deemed repealed.

**SEC. 8. Effectivity.** – This Act shall take effect upon its approval.

*Approved,*