

AN ACT AUTHORIZING THE PRESIDENT OF THE PHILIPPINES TO ISSUE CALLABLE MORTGAGE BONDS IN ACKNOWLEDGEMENT OF DEBT FOR THE CONSTRUCTION OF PUBLIC SCHOOL HOUSES UNDERTAKEN WITH PRIV...

REPUBLIC ACT NO. 780, June 21, 1952

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

SECTION 1. The President of the Philippines is hereby authorized to incur a bonded indebtedness of so much as may be necessary to meet the expenditures that may be advanced by any parent-teacher association, private individual, partnership or corporation for the construction of public primary schoolhouses, but not exceeding an annual sum that can be amortized with the amount of seven million pesos to be appropriated yearly as sinking fund, as provided hereunder.

SEC. 2. The President of the Philippines is hereby authorized to issue callable mortgage bonds in the name and behalf of the Republic of the Philippines, said bonds to be payable within a period not exceeding ten years from date of issue. Both the principal and interest on the bonds shall be payable in Philippine currency. The bonds shall be in denominations suitable to a sliding cost of building construction and adaptable to a quarterly, semi-annual or annual repayments in the form of accrued rentals, or to an equivalent schedule of retirement by denominations in series. The date of issue of the bonds shall be the date such class rooms or building units as have been completed are turned over and accepted by the Secretary of Education or his authorized representatives. The President shall determine the rate and dates of payment of interest thereon, which shall not be in excess of six per cent per annum.

SEC. 3. The President shall authorize the construction of public primary schoolhouses anywhere in the Philippines of the same standard permanent or semi-permanent type building plans, which shall be undertaken in accordance with the usual contract procedures of the Bureau of Public Works through invitation for bids or public auction, or by negotiation in places where competitive bidding would be impracticable. He shall authorize the award of contracts to the successful bidders who are ready to advance expenditures of construction and willing to accept payment in the form of the mortgage-bonds authorized in the next preceding section.

SEC. 4. The bonds hereby authorized shall be negotiable and exempt from taxation by the Republic of the Philippines or by any political sub-divisions thereof.

SEC. 5. A sinking fund is hereby created for the payment of the bonds issued under the provisions of this Act, in such a manner that the total amount thereof at each annual due date of the bonds issued shall be equal to the total of an annuity of such a sum, for each million Pesos of bonds outstanding, as with interest at the rate of four per cent per annum, shall be sufficient to retire said bonds at maturity. Such sinking fund shall be under the custody of the Treasurer of the Philippines, who shall invest the same in such manner as the Secretary of Finance may approve, in accordance with Act Numbered Three thousand and fourteen which governs the investment of sinking funds, and shall credit to the same the interest on investment and other income accruing to it.

SEC. 6. There is hereby authorized to be appropriated out of any unappropriated funds in the National Treasury not otherwise appropriated, such sum as may be necessary, but not exceeding an annual appropriation of seven million pesos, to provide for the sinking fund created in the next preceding section, and for the payment of the interest on the bonds issued by virtue of this Act. There is hereby further authorized to be appropriated out of the said unappropriated funds a sufficient sum to cover the expenses of the issue of the bonds issued by virtue of this Act.

SEC. 7. The Director of Public Works shall have charge and control of all constructions to be made, and jointly with the Director of Public Schools shall, subject to the approval of the President, issue the necessary regulations to carry out the purposes of this Act.

SEC. 8. This Act shall take effect upon its approval.

Approved, June 21, 1952.

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