

AN ACT PRESCRIBING THE FORM OF THE BUDGET AND REGULATING THE EXPENDITURE OF AUTHORIZED AP-PROPRIATIONS.

Commonwealth Act No. 246, December 17, 1937

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Be it enacted by the National Assembly:

SECTION 1. Title. — This Act shall be known as the "Budget Act."

SEC. 2. Definition of terms used in this Act. — The Budget is the financial program of the National Government for a designated fiscal year, consisting of statements of estimated receipts and expenditures for the fiscal year for which it is intended to be effective, based on the results of operations during the preceding fiscal years.

Ordinary income consists of the proceeds of the collection of taxes and other kinds of revenues and receipts regularly accruing to the Philippine Treasury by virtue of the operation of existing laws. Receipts which do not regularly accrue to the Government, the collection of which is indefinite, or does not depend entirely on the authority of the Government of Commonwealth of the Philippines shall be classified as extraordinary income.

Ordinary expenditures are those that are necessary for the ordinary operation of the Government and are continuous or recurring in nature. All other kinds of expenditures shall be classified as extraordinary expenditures, including public works constructions, special projects, and investments.

SEC. 3. Form of the Budget. — The Budget which shall be prepared and submitted to the National Assembly in accordance with the provisions of section 9, Article VI of the Constitution, shall comprise the general fund and all classes of special and trust funds under the care and control of the different branches or offices of the National Government.

The receipts accruing to any fund and the expenditures therefrom shall be shown in detail in conformity with the classification of accounts prescribed by the Auditor General, segregated into ordinary and extraordinary income and expenditures.

The appropriations for salaries and wages shall specify the positions, the number of each class, the respective designations, the salary rates authorized for the current year and those proposed for the ensuing year, and the items shall be grouped by bureaus and offices. The items of appropriations for each class of sundry expenses, furniture and equipment, and those for special purposes for the different bureaus and offices shall be consolidated for each corresponding department. Together with the proposed appropriations for each department, there shall be shown the amount of the actual expenditures for the preceding year and the estimated expenditures for the current and ensuing years from appropriations that are authorized by existing laws and from the special and trust funds.

SEC. 4. Authority of the President to change the form of the Budget. — The President is authorized to change, subject to the requirement of the Constitution, the form of the Budget or any feature thereof, to suppress any existing feature and to add any new feature, data or information which in his opinion, may help toward a clearer

presentation of the needs of the Government and the condition of its finances: Provided, That such changes shall be valid and subsisting while the Assembly does not provide otherwise.

SEC. 5. Budget to be balanced. — The ordinary income shall be used primarily to provide for the ordinary operating expenses of the Government. Except in case of a national emergency or serious financial stress, the existence of which has been duly proclaimed by the President, the total authorized appropriations for the ordinary expenditures shall not exceed the ordinary income; and, unless extraordinary circumstances justify it, the total estimated ordinary income shall not only cover the total estimated ordinary expenditures, but it shall leave a reasonable surplus besides. No appropriations for the ordinary operating expenses of the Government may be proposed, unless the amount thereof is covered by the ordinary income, and, likewise, no appropriation for any extraordinary expenditure, the amount of which is not covered by the estimated income from the existing sources of revenues or available current surplus, may be proposed, unless it be supported by a proposal creating an additional source of fund sufficient to cover the same.

SEC. 6. Accrual of income to unappropriated general fund of the National Government. — Unless otherwise specifically provided by law, all income accruing to bureaus, offices, and other units of the National Government by virtue of the provisions of existing laws, orders, and regulations shall be deposited in the Philippine Treasury or in any duly authorized depository of the Government by the officers or employees receiving them, and, except the receipts pertaining to special and trust funds, shall accrue to the unappropriated general fund of the National Government.

All receipts due the Government by virtue of the provisions of section two thousand and fifty-three of the Administrative Code, section ten of Act Numbered Forty-one hundred and sixty-six, and section forty-three of Commonwealth Act Numbered Eighty-three, shall accrue to the unappropriated general funds in the Philippine Treasury, any provision of law to the contrary notwithstanding.

Except in the case of receipts accruing to special funds derived from proceeds of taxes and fees specially imposed for specific purposes and to the revolving funds created by law, all unexpended balances of receipts collected by bureaus and offices of the National Government by virtue of laws which authorize expenditures payable therefrom, shall revert to the unappropriated general fund in the Philippine Treasury at the end of the fiscal year in which collected.

SEC. 7. Provisions governing the expenditure of authorized appropriations. — Unless otherwise expressly provided in the law authorizing an appropriation, the following general and special provisions shall govern the expenditure of appropriations authorized by any annual General Appropriation Act and other acts:

I. — GENERAL PROVISIONS

(1) Appropriations to be spent only for purposes for which appropriated. — Unless otherwise expressly provided, all sums set aside in the appropriations shall be expended solely for the specific purpose for which appropriated, and for no other.

(2) Reduction of expenditures. — The President may order the reduction of the expenditures chargeable to appropriations authorized for the executive departments and their respective bureaus, offices, and dependencies whenever, in his opinion, the public interest so requires: Provided, however, That in case of reduction of salaries and wages, such reduction shall be general and based on the existing rates of salaries and wages, and the percentage of reduction shall be uniform for similar rates of salaries and wages.

(3) Certification as to availability of funds. — No funds shall be disbursed, and no requisition or order for the purchase of supplies and materials and for the purchase, manufacture, or repair of furniture and equipment

chargeable to any appropriation or fund shall be made by any chief of bureau or office without first securing the certification of the corresponding Accounting Officer as to the availability of funds or appropriation against which the expenditure or obligation may properly be charged.

(4) Allotment of lump-sum appropriations and special and other funds; plantilla of personnel. — The provisions of any law to the contrary notwithstanding, expenditures from lump-sum appropriations authorized for any executive department in any annual General Appropriation Act or other act and from all special, bond, trust, and other funds shall be made in accordance with a budget to be approved by the President, which shall include the plantilla of personnel, showing the number of each kind of positions, the designations, the salary proposed for the fiscal year for which the appropriation is intended and the salary actually received. This provision shall be applicable to all revolving funds, receipts which are automatically made available for expenditure for certain specific purposes, aids and donations for carrying out certain activities, or deposits made to cover the cost of special services to be rendered to private parties.

Except when stipulated otherwise as a condition for the expenditure of an aid or donation, and in the case of officers and employees receiving higher rates at the time of the approval of this Act, no officer or employee whose salary, not being fixed by law, is paid from any lump-sum appropriation or from any special, bond, trust, revolving, or other fund, shall receive a compensation of more than twelve pesos per day or more than three hundred pesos per month. This limitation shall not apply to the appropriations for "expert and technical personnel" under the Office of the President and the various executive departments.

In the case of any lump-sum appropriation for salaries and wages of temporary laborers and employees provided in any General Appropriation Act or other act, the expenditure of such appropriation shall be limited to the employment of laborers paid by the month, by the day, or by the hour, and of emergency employees other than laborers, who, except those authorized for the National Assembly, the office of the President, the Bureau of Health, the craftsmen, helpers, and other employees of the Bureau of Printing, the justices of the peace, the officers and employees of the Bureau of Public Works whose salaries and wages are payable from appropriations for projects authorized in any act, and the officers and employees of the Bureau of Quarantine Service, shall, in no case, be paid a salary in excess of forty-pesos per month, nor shall their employment continue for more than six months.

(5) Reversion of unexpended balances of appropriations. — Except appropriations for the national defense pursuant to Commonwealth Act Numbered One, the unexpended balances of appropriations authorized in any annual General Appropriation Act shall revert to the unappropriated general fund in the Philippine Treasury at the end of the fiscal year for which such appropriations are authorized, and shall not thereafter be available for expenditure except by subsequent legislative enactment.

SALARIES AND WAGES

(6) Determination of rate of compensation of positions. — Whenever a specific number of positions is provided in an item of an appropriation authorized in any act, the sum appropriated in such item shall be understood to be equally divided among the positions so provided, and the maximum rate of compensation per annum of each position is thereby determined.

All annual salaries shall be divided into twelve equal installments, one of which shall be the pay for each calendar month; and in making payment for part of a month the amount to be paid each day shall be determined by dividing the monthly pay into as many parts as there are days in the particular month.

(7) Filling of vacancy by appointment of person or persons in lower grade. — With the prior approval of the

President of the Philippines, a vacancy in a position of any grade may be filled by the appointment of one person or more of a lower grade within the same service classification but in such case the aggregate of salaries paid shall not be greater than the salary authorized by law for that position.

(8) Authority to receive additional compensation. — Any provision of law to the contrary notwithstanding, officers and employees who are appointed or designated by competent authority to serve as chairman, members, or officers of the committee for the holding of bar examinations or of the examining boards mentioned in section ten of Act Numbered Four thousand and seven and the boards that have been established, or may hereafter be established, by law to govern the operation of government owned or controlled enterprises, may, in the discretion of the President, be allowed to receive compensations at rates which he shall fix and subject to such conditions as he may prescribe, in addition to the salary authorized for the regular position of each officer or employee concerned, such additional compensation shall be payable from the fees collected by the examining boards and from the special funds under the respective control of the other boards, as the case may be.

(9) Compensation of persons receiving pension. — A person receiving life pension, annuity, or gratuity from the Government of the Commonwealth of the Philippines or any province, city, municipality, or other subdivision thereof, or from any government owned or controlled entity or enterprise, who is reappointed to any position, the appropriation for the salary of which is provided from funds of the said Commonwealth Government or any province, city, municipality, or other subdivision thereof, or from any government owned or controlled entity or enterprise, shall have the option to receive either the compensation for the position or the pension, gratuity, or annuity; but in no case shall he receive both.

(10) Prohibition from acceptance of voluntary service. — No person shall be employed or appointed in the government service, under the guise of voluntary service, without compensation but with privilege of reimbursement of traveling expenses, or receiving per diems, subsistence, or quarters payable from public funds, in the absence of a specific position therefor or specific legislation authorizing the creation of such position: Provided, That, in case of emergency find when authorized by the President, the application of this provision may be waived in the case of voluntary service in the Philippine Army, State Police, Office of Adult Education, Bureau of Health, hospitals and penal institutions.

ALLOWANCES

(11) Subsistence. — No officer or employee of the National Government shall be given subsistence, the cost of which is payable from any public fund, except the following and only when an appropriation therefor is specifically provided:

(a) Marine officers, engineers and crew of the government vessels, launches, and motor boats, who shall take their meals in the mess on board the vessels, launches, or motor boats when on duty during meal time;

(b) Lightkeepers and other employees in light stations duly authorized by the head of department to receive subsistence, who shall be furnished raw, canned, or preserved food materials;

(c) Officers and employees who are required to render service within the premises of hospitals, prisons, Philippine Army barracks, training schools, leper institutions, and other similar institution during a continuous period covering meal time allowing full subsistence when required to live in said premises to make their services available at any and all time: Provided, That said subsistence shall be furnished in kind, requiring those entitled thereto to take their meals in the mess provided therefor and maintained at the expense of the Government, and under no condition shall the same be commuted or paid in cash, except to the Director and the Assistant Director of Prisons and employees of the Bureau of Quarantine Service at such rates as may be provided for them in the annual General Appropriation Act; to enlisted men of the Philippine Army as provided in the Army

Regulations; and to the following officers and employees who have, heretofore, been allowed such commutation, at rates not exceeding one-half of the maximum rates per diems authorized in paragraph (18), General Provisions, of this section:

(1) District nurses of the Bureau of Health and nurse social workers of the Bureau of Public Welfare in Manila while assigned to render service outside of hospitals or welfare institutions;

(2) Officers and employees in leper institutions;

(3) Physicians, pharmacists, dentists, sanitary inspectors, attendants, and nurses of the Bureau of Prisons while no available government quarters can be provided for them;

(d) In those cases where laborers are employed on work located in isolated or unsettled districts, they shall be furnished the usual rations or the equivalent in cash, at the expense of the Government.

(12) Subsistence of crew of government vessels. — The subsistence allowance for the officers and crew of the coastguard and revenue cutters and lighthouse tenders and other large vessels operated by the Government shall be spent for conducting a mess under the charge and administration of one or more members of the complement in each vessel to be designated by the corresponding head of department, and in accordance with regulations to be issued by him. The person or persons so designated shall keep an account of the advances of funds received by the same and expenditures made therefrom for the operation of the mess and shall render such report to the corresponding Accounting Officer promptly at the end of each month in such form as the Auditor General shall prescribe.

(13) Furnished quarters. — When the position of any officer or employee is provided with "furnished quarters," such officer or employee shall be entitled to the use of such government-owned furniture and equipment as are necessary for his board and lodging and those for his wife or her husband, and children below twenty-one years of age.

(14) Laundry. — At the discretion of the corresponding head of department, any officer or employee of the National Government serving in any hospital, penal institution, or other institution, who is required to wear a uniform during the performance of his duties, may be granted laundry allowance in kind.

(15) Expenses for transportation, medicine, and medical attendance of employees contracting illness in line of duty. — Employees engaged in any authorized work in places where ordinary medical attendance is not available shall be entitled to such necessary expenses for transportation, medicine, and medical attendance, as may be authorized by the corresponding department head, in cases of illness contracted in line of duty.

(16) Prohibition against the grant of allowance for use of private automobiles. — No officer or employee of any department, bureau, office, agency, or instrumentality of the National Government shall be paid any allowance, directly or indirectly, for the use of his own automobile on official business, payable from any appropriation or fund provided in any General Appropriation Act or other act.

TRAVEL EXPENSES

(17) Manner of payment of travel expenses. — Travel expenses shall be allowed either in the form of payment of the travel expenses actually and necessarily incurred, or, in the discretion of the chief of bureau or head of office, by the payment of per diems or fractional per diems, in lieu of expenses other than transportation. The expenses actually and necessarily incurred for Subsistence and lodging in excess of the authorized rates of per diems may be reimbursed upon the approval of the proper head of department when the prevailing conditions in the places visited so justify.

When travel is done by water and subsistence is not included in the transportation, the amount actually and necessarily expended for subsistence shall be paid, and no per diem shall be allowed in lieu thereof.

Per diems shall not be allowed to members of field parties or others for whom subsistence in kind is supplied or other special provision made to cover travel expense.

The travel expenses of a government official or employee who may be assigned to render a special service to any private person or entity, the expenses for which are payable by such private person or entity, shall be paid, subject to the limitations and requirements herein provided for travel expenses payable from government funds, from the deposit which the private party shall be required to make before the performance of the special service may be commenced.

No officer or employee of the Government who remains temporarily at one station for a longer period than one month shall be paid per diems in excess of one month, except upon the approval of the proper head of department, and, in case his temporary stay in any one place exceeds three months, payment to him of per diems in excess of three months shall be made only upon the previous approval of the President.

(18) Schedule of per diems for officers and employees of the National Government. — Per diems, when allowed, shall be fixed with the approval of the corresponding head of department at rates not to exceed the following:

(a) For officers and employees receiving a salary of two thousand pesos or less per annum, a per diem of not to exceed two pesos;

(b) For those receiving more than two thousand pesos per annum, but not exceeding four thousand pesos per annum, a per diem of not to exceed three pesos;

(c) For those receiving more than four thousand pesos per annum, but not exceeding four thousand pesos per annum, a per diem of not to exceed four pesos;

(d) For those receiving more than six thousand pesos per annum, a per diem of not to exceed five pesos.

Any officer or employee whose compensation is fixed at other than the per annum basis may be given the rate of per diem authorized for that receiving compensation on the corresponding per annum basis.

(19) Per diems of officers of the United States Army, Navy, Quarantine Service, etc. — Officers of the United States Army, Navy, Quarantine Service and other branches of the Government of the United States detailed for duty with the Government of the Commonwealth of the Philippines, may be paid, when traveling on official business of the latter, the rate of per diems authorized for their regular positions under the regulations in force in the Federal Service to which they respectively pertain.

(20) Transportation of members of family of an employee transferred from one station to another. — Whenever, due to the requirement of the service and not at his own request, an officer or employee is transferred from one station to another, said officer or employee and his wife or her husband, and children below twenty-one years of age shall be entitled to transportation, including that of their baggage and household effects, at the expense of the Government, to be paid from the appropriation for traveling expenses of the bureau or office concerned.

RENTAL OF BUILDINGS AND GROUNDS

(21) Availability of appropriations for rental of buildings and grounds. — An appropriation authorized in any act for rental of buildings and grounds for any department, bureau, or office shall be available for expenditure only when authorized by the head of department concerned.

CONSUMPTION OF SUPPLIES AND MATERIALS

(22) Application of appropriation for consumption of supplies and materials. — No part of any appropriation for consumption of supplies and materials authorized in any General Appropriation Act or any other act shall be used for the manufacture of equipment and the construction of new buildings, except buildings of light materials in emergency cases or used in connection with research or experimental purposes, nor for other construction projects requiring special appropriations.

The phrase "buildings of light materials" shall be taken to mean those with (1) posts of bamboo or soft wood, (2) floor and roof framings of soft wood or bamboo, (3) sidings and partitions of soft wood and windows of sawali, bamboo, nipa, and soft wood, and (4) roof of nipa, cogon, or any other similar material.

(23) Economy in the use of supplies, materials, and equipment. — Supplies, materials, and equipment purchased from any public fund shall be used only for the necessary and actual requirements of the official or employee concerned in the performance of his official duties. In the case of gasoline and other fuel supplies and lubricating oil for use of government automobiles, other motor vehicles, vessels, and watercrafts, a detailed report shall be submitted monthly to the General Auditing Office by the official or employee responsible for the operation thereof showing the official trips made, places visited, distance traveled, time consumed, list of passengers, quantities of gasoline, fuel supplies and oil received, quantities on hand, and such other data as may be necessary for the proper determination of the quantities of supplies actually and necessarily consumed in connection with the performance of official duties. The Auditor General shall prescribe such supplementary rules and regulations as may be necessary for the effective enforcement of this provision.

The National Assembly and the Executive Office are exempted from submitting the report herein required.

(24) Restriction of use of appropriation for "other services." — The appropriation for "other services" of any department, bureau, or office shall be available only for minor items of contingent expenses that do not properly fall under any of the other items of sundry expenses. In no case shall any part of an appropriation for this purpose be used for the hire of laborer's services, or for contracting the same, in connection with the construction of any project which should be financed with an appropriation specially authorized therefor.

(25) Restriction in the purchase of automobiles and other vehicles. — No fund of the National Government, general or special, and no appropriation or allotment therefrom shall be available, directly or indirectly, for the purchase of any automobile, auto-jitney, or station wagon, unless specifically authorized in the act creating the special fund or authorizing the appropriation or allotment, as the case may be. Neither shall it be lawful for any province, subprovince, city, or municipality to purchase an automobile, auto-jitney, or station wagon, intended to be donated to any branch of the National Government, without the prior approval of the President of the Philippines. Appropriations for such items as other services, miscellaneous expenses, contributions and gratuities, transportation equipment, motor vehicles, other equipment, and other general items shall not be understood to include the purchase of automobiles, auto-jitneys, and/or station wagons.

MISCELLANEOUS

(26) Scholarships. — Any appropriation for "scholarships in the United States, in foreign countries or in the Philippines" shall be spent in accordance with such rules as may be prescribed by the President. Such appropriation shall also be available for the expenses of any officer or employee of the Government who may be designated by the President to complete his professional or vocational training or to do further work of investigation or study for the benefit of any branch of the public service or of any matter of interest to the Commonwealth Government of the Philippines.

No institution or office receiving financial aid from the National Government shall send any pensionado abroad unless specifically authorized by the President.

(27) Payment of prior year's obligations. — Outstanding obligations not exceeding an aggregate of one hundred pesos for each item of expenditure corresponding to any previous year may be paid from any saving to be made from the corresponding item of the current appropriation of the bureau or office concerned, upon approval of the head of department concerned, but without prejudice to the administrative liability of the officer or employee responsible therefor.

(28) Allotment of aid to specially-organized provinces. — The appropriations for aid to the specially-organized provinces for expenses of general administration of the same, shall be allotted by the head of department concerned exercising control and supervision over the finances of the said specially-organized provinces in amounts not exceeding the excess of their ordinary operating expenses over their regular income for the corresponding year.

(29) Minor and emergency repairs on vessels. — Minor and emergency repairs on vessels away from Manila may be made at the nearest accessible point.

(30) Limitation on the maintenance, repairs, and minor alterations of buildings to be undertaken by bureau or office concerned. — Whenever any work is to be undertaken for the maintenance, repairs, and minor alterations of buildings occupied by a bureau or office of the National Government, the cost of which does not exceed five hundred pesos for any one project, the bureau or office concerned may directly undertake the work without the intervention of the Bureau of Public Works, after an allotment of the necessary amount has been made by the Secretary of Public Works and Communications from the appropriation for the purpose.

(31) Blankets and mosquito bars for members of field parties. — The item "furniture and equipment" shall include blankets and mosquito bars for use of members of parties in the field who are not entitled to per diems.

(32) Additional compensation for overtime service.

Officers and employees of the National Government, except secretaries and undersecretaries of departments, chiefs of bureaus and offices, and those occupying positions of similar category, when working overtime on Saturdays, Sundays, holidays, or during half-day sessions, and after five o'clock post meridian on regular working days to finish work that must be completed within a specified time, when authorized by the President, may be paid from any unexpended balance of the appropriation for salaries and wages authorized in any annual General Appropriation Act, compensation at rates to be fixed by the heads of departments concerned, with the approval of the President, which shall not exceed the rate of their regular compensation. Such additional compensation shall not exceed, for any one month, the equivalent of the regular compensation; nor shall it exceed for any one year, fifty per centum of such regular compensation.

Section sixteen hundred and fifty-six of the Administrative Code shall remain in force, the provisions herein contained to the contrary notwithstanding."

(33) Accounting and auditing personnel for new bureaus and offices. — Whenever a new bureau, office, or unit of the National Government is created or established in accordance with law or regulation, the appropriation or allotment for its creation or establishment shall be construed as including the amounts necessary to provide such new bureau, office, or unit with adequate personnel for the work of accounting and auditing under the Budget Office and the General Auditing Office, respectively, to be determined by the President.

II. — SPECIAL PROVISIONS

NATIONAL ASSEMBLY

(1) Item for "other services" of the National Assembly. — The item for "other services" of the National Assembly shall include the funeral expenses of Members of the National Assembly and all other expenses not specifically

provided for in the appropriations for the same when authorized by resolution.

OFFICE OF THE PRESIDENT

(2) Additional compensation for the aide-de-camp of the President. — Any officer of the United States Army or the Philippine Army detailed as aide-de-camp of the President shall be paid such additional compensation as the President may fix within the authorized appropriation.

GENERAL PURPOSES

(3) Expenses for official receptions and entertainments. — The sum set aside under "special appropriations" for "other expenses" may be used for the expenses of the President or, with his approval, of any of the members of the cabinet, for official receptions and entertainments.

DEPARTMENT OF THE INTERIOR

OFFICE OF THE COMMISSIONER FOR MINDANAO

AND SULU

(4) Special scholarships. — The appropriation "for special scholarships" shall include cases of selected individuals whose professional training or inclination may, in the opinion of the Secretary of the Interior, specially tend to facilitate a permanent and complete fusion of the Christian and non-Christian elements populating the provinces of the Archipelago.

DEPARTMENT OF FINANCE

DIVISION OF PURCHASE AND SUPPLY

(5) Division of Purchase and Supply surcharge. — For services rendered and supplies furnished, the Division of Purchase and Supply shall charge the cost thereof, plus, in the case of provinces, subprovinces, cities, municipalities, and government owned or controlled enterprises, a surcharge of not exceeding three per centum. It shall not impose any surcharge for any service rendered by it to the National Government.

BUREAU OF CUSTOMS

(6) Subsistence of employees of light stations. — The corresponding head of department may grant subsistence in kind to employees of light stations whenever he shall deem it necessary in the interest of the service.

(7) Transportation of wives and children of lightkeepers. — The item for "traveling expenses of persons other than government employees" shall be available for covering the cost of transportation of the wives and children of newly appointed lightkeepers from their places of residence to their stations.

BUREAU OF INTERNAL REVENUE

(8) Additional compensation for officers and employees proficient in foreign languages. — Any saving of the appropriations for the Bureau of Internal Revenue for any year may be used for the payment during the same year of additional compensation of ten per centum of the regular salary of officers and employees of the Bureau of Internal Revenue who have demonstrated proficiency in the examination of books of accounts in a language other than English, Spanish, or native internal revenue tax purposes, of merchants engaged in business in the Philippines. The granting of the said additional compensation shall be made by the Secretary of Finance upon the recommendation of the Collector of Internal Revenue.

DEPARTMENT OF JUSTICE BUREAU OF PRISONS

(9) Various expenses chargeable to "consumption of supplies and materials." — The item for "consumption of supplies and materials" shall include articles for athletic sports and entertainment for the prisoners, and tobacco for the same; clothing and shoes for members of the Bilibid band, Bilibid boy scouts, and Bilibid trusty police; clothing and meals for prisoners, and families of penal colonists; and meals of guards rendering not less than

twelve hours' service daily.

(10) Use of appropriation for "traveling expenses of persons not government employees." — The item for "traveling expenses of persons not government employees" shall include transportation of discharged prisoners. When, in the judgment of the Secretary of Justice, a prisoner merits consideration, his wife, family or fiancée may be permitted to join him, and the transportation from their homes to the penal colonies of Twahig, San Ramon, or Davao may be paid under this item.

The transportation of free colonists and their families, and the transportation of families of employees receiving less than seven hundred and twenty pesos per annum from the colony to their homes and return, may be paid under this head, when, in the judgment of the Secretary of Justice, such free colonists or families of employees merit such consideration.

(11) Use of appropriation for "contributions and gratuities." — The appropriation for "contributions and gratuities" shall be used for furnishing each discharged prisoner with an outfit of clothing costing not more than ten pesos, find a gratuity not to exceed fifteen pesos on his release for furnishing clothing and gratuities to deported prisoners if, in the discretion of the Secretary of Justice, the taking of such step is necessary; and for payment of gratuities to prisoners or colonists performing duties of trust, at a rate not to exceed ten pesos per month each.

DEPARTMENT OF AGRICULTURE AND COMMERCE

(12) Quarters for officers and employees under the Department of Agriculture and Commerce. — The Secretary of Agriculture and Commerce may authorize the following officers and employees of bureaus and offices of the department to lodge free of charge in government buildings controlled by the same; the superintendents, officers, and employees of the seed farms, nurseries, experimentation and propagation stations, stock farms, slaughterhouses, breeding and quarantine stations, provincial land and forest offices and stations, Alabang laboratories and experiment stations whose salaries and wages are payable from the appropriations provided in any General Appropriation Act or other act. The officers and employees herein mentioned shall not be allowed to lodge in rented buildings without requiring them to reimburse to the Government their corresponding reasonable share of the rent.

(13) Use of appropriation for contributions and gratuities for entertainment purposes. — The Secretary of Agriculture and Commerce may authorize the expenditure of the appropriations for "contributions and gratuities" for the entertainment of foreign or local scientists and agriculturists visiting propagation stations, seed farms, nurseries, stock farms, slaughterhouses, breeding and Quarantine stations of the bureaus under the said department.

BUREAU OF LANDS

(14) Unexpended balance of annual appropriations for Bureau of Lands available for reimbursement of cost of surveys. — Any unexpended balance of the appropriations made in any annual General Appropriation Act for the Bureau of Lands may be used for reimbursement of the cost of surveys as required by section 92 (b) of Act No. 2874.

WEATHER BUREAU

(15) Transportation of family of any employee detailed to a Weather or Meteorological Station. — The Director of the Weather Bureau, subject to the approval of the head of department, may pay from the appropriation authorized "traveling expenses," for the transportation, both ways, of the family of any employee from his residence to the weather or meteorological station in or outside of the Philippines, to which he may be detailed.

DEPARTMENT OF PUBLIC WORKS AND COMMUNICATIONS

(16) Limitation of the use of appropriation "for contracting vessels for the coastwise trade." — Any appropriation "for contracting vessels for the coastwise trade" shall be available only for the coastwise trade of the Philippines for the purpose of establishing or maintaining the service on such lines as may be necessary, or of assuring the transportation of government cargo and messengers on such terms as may be deemed advisable, said contracts not to extend beyond the thirty-first day of December of the year for which the appropriations are authorized, and to be approved by the President, on recommendation of the Secretary of Public Works and Communications.

BUREAU OF PUBLIC WORKS

(17) Bureau of Public Works surcharge. — All expenses of the Bureau of Public Works for services which can be allocated shall be charged to the projects or works concerned: Provided, That when the services of the Bureau of Public Works in connection with any project pertaining to any provincial, city, or municipal government or government owned or controlled enterprises are purely administrative or supervisory, the charges for said services shall not exceed three per centum of the total cost of the project.

The Bureau of Public Works shall not impose any surcharge for any work undertaken by it for any branch of the National Government, nor for any project at least fifty per centum of the appropriation for which comes from the National Government.

(18) Supervision of the Bureau of Public Works over all national and provincial public works projects.—All national and provincial public works projects shall be carried on under the supervision of the Bureau of Public Works, unless otherwise directed by the Secretary of Public Works and Communications.

The compensation of employees used temporarily on any special project shall be paid only from the funds of such project.

(19) Operation of a Central Garage.—With the exception of ambulances, mail delivery trucks and motorcycles, all motor transportation equipment owned by the different departments, bureaus, offices, and dependencies of the National Government in the City of Manila, together with the their corresponding personnel, other equipment, accessories, spare parts, supplies, materials, and appropriations shall, beginning January first, nineteen hundred and thirty-eight, be transferred to, and kept in, a General Garage, to be operated and maintained under the control and management of the Bureau of Public Works, under such rules and regulations as the Secretary of Public Works and Communications may prescribe.

Upon the request of the chief of any bureau or office or his authorized representative, the Central Garage shall furnish motor transportation for official business to any officer or employee of the National Government in the City of Manila, charging the cost of such service against the corresponding bureau or office, at rates to be fixed by the Secretary of Public Works and Communications. The appropriations and assets to be transferred to the Central Garage in conformity with the provision of the preceding paragraph, together with such additional appropriation as may be authorized for the operation and maintenance of the same, shall constitute a revolving fund to be used exclusively for the purpose. All the income derived from the operation of the Central Garage shall accrue to the said revolving fund and shall be used only for the same purpose. The revolving fund herein created may be spent for necessary replacement of worn out or unserviceable equipment, and or acquisition of additional equipment, including automobiles, auto-jitneys and station wagons.

Except in cases of emergency, or when the Central Garage is unable to supply the demand for motor transportation, no officer or employee of the National Government shall use for official business in the City of

Manila motor vehicle transportation facilities other than those operated by the Central Garage.

The provisions of this subsection shall not apply to the National Assembly.

When the interest of the service requires, the President may exempt any bureau, office, or officer from the application of the provisions of this subsection.

(20) Allotment of appropriations for maintenance and repair of public buildings, etc. — Whenever not otherwise specifically provided, appropriations which may be authorized for the maintenance and repair of public buildings, monuments and adjacent grounds, roads, trails and bridges; cable and telegraphic lines and radio stations; and for investigation of applications for the use of water, for adjudication of water rights, for gaging streams, and for maintenance and operation of any irrigation system shall be allotted by the Secretary of Public Works and Communications.

(21) Charging of traveling expenses of district engineers. — The traveling expenses of district engineers assigned to provinces shall be paid from the funds available for authorized works within the province.

(22) Telephone installations for bureaus and offices. Bureaus and offices of the National Government may directly deal with a telephone company for the installation, transfer, or removal of telephones in their respective offices, without the intervention of the Bureau of Public Works.

BUREAU OF POSTS

(23) Quarters and light for operator and engineman assigned to radio stations. — Any operator or engineman of the Bureau of Posts assigned to any radio station occupying a government owned building shall be entitled to quarters and light.

DEPARTMENT OF PUBLIC INSTRUCTION

BUREAU OF EDUCATION

(24) Subsistence and quarters for teachers assigned to special school or dormitory duty. — The Secretary of Public Instruction may allow quarters in kind to teachers assigned to dormitory duty, and also subsistence equal to that furnished to students at such dormitories. He may, likewise, authorize teachers assigned to farm or agricultural schools under the jurisdiction of the Bureau of Education to lodge free of charge in buildings owned by the national, provincial, or municipal governments under the control of the Department of Public Instruction in the localities where the farm or agricultural schools are situated. In the case of buildings not under the control of the Department of Public Instruction, the authority herein conferred upon the head of this department shall be exercised only after securing the consent of the head of department having control thereof.

(25) Honoraria for teachers giving instruction during vacation periods. — Teachers designated to give instruction in the annual vacation assemblies, and in the arts and trades, agricultural, and commercial schools during the vacation period, may be paid honoraria at rates not exceeding three-fourths of their respective monthly salaries, provided there is appropriation available therefor.

(26) Collection of tuition fees in annual teachers' vacation assemblies. — When the authorized appropriation for the payment of honoraria to teachers giving instruction in the annual vacation assemblies is not sufficient to secure the needed personnel, the Director of Education, with the approval of the Secretary of Public Instruction, may charge such tuition fees for admission into said assemblies as are necessary to cover the deficiency,

(27) Use of proceeds of matriculation fees. — Whatever amount is derived from matriculation fees in provinces, cities, and municipalities shall accrue to the school funds of the province, city, or municipality concerned and shall be appropriated by the respective provincial, city or municipal board or council primarily for the purchase of

library books and periodicals and for athletic purposes. Any amount not needed for the said purposes may be used to meet other school needs.

(28) Subsistence for students at the School of the Deaf and the Blind, the Central Luzon Agricultural School, and the Philippine Nautical School. — In the discretion of the Secretary of Public Instruction, subsistence in kind while in attendance at the school may be furnished to the pupils of the School for the Deaf and the Blind and the Central Luzon Agricultural School, and to students of the Philippine Nautical School detailed to complete their studies in the practice of navigation on vessels owned by the National Government, payment to be effected from the funds provided by the current appropriation for consumption of supplies and materials for the Department of Public Instruction. In lieu of such subsistence, the students attending the Central Luzon Agricultural School may be granted, in the discretion of the Secretary of Public Instruction, the use of animals, equipment and land not exceeding one and one-half hectares.

BUREAU OF HEALTH

(29) Reimbursement by provinces of one-half of the salaries of district health officers. — The amounts paid by provinces for the reimbursement of one-half of the salaries of district health officers in accordance with Act Numbered Thirty-two hundred and ninety-seven shall accrue to the unappropriated surplus of the general fund in the Philippine Treasury.

(30) Payment of traveling expenses of local health officers and employees. — In case of emergency and upon approval of the Secretary of Public Instruction, any part of the item for "traveling expenses of personnel" which may be allotted for use of the Bureau of Health shall be available for traveling expenses of local health officers and employees.

(31) Expenses chargeable to appropriation for "consumption of supplies and materials." — The item for "consumption of supplies and materials" for the Bureau of Health shall include first uniform for newly appointed sanitary inspectors: uniforms for minor employees of hospitals and the Culion Leper Colony; and aid to poor provinces in the form of medicines for the treatment of yaws and extract of tiki-tiki for the treatment of ben-ben. The cost of antitoxins, sera, vaccines, and tiki-tiki which the Bureau of Health shall obtain from the University of the Philippines shall be charged against this item.

In any case in which the College of Pharmacy and the School of Hygiene and Public Health of the University of the Philippines are unable to supply the demand of the Bureau of Health for tiki-tiki, anti-toxins, vaccines, sera, and other biological products, the Bureau of Health may purchase the deficiency in the open market.

(32) Expenses chargeable to appropriation for "other services." — The part of the appropriation for "other services" of the Department of Public Instruction, which may be allotted for use of the Bureau of Health, shall include expenses of the Bureau of Health for educational exhibits; occasional health campaigns; participation in expositions and fairs; practical training school for sanitary inspectors: and payment of not exceeding five centavos (P0.05) for each mouse or rat presented to the Bureau of Health by any person, not an employee of said Bureau, caught in connection with the campaign for the extermination of mice and rats in the City of Manila.

(33) Sale of medical and sanitary supplies and other supplies and materials. — The Director of Health, whenever, in his opinion, the public good requires it, may sell medical and sanitary supplies at cost price, and may likewise sell to government employees supplies and materials not obtainable at the place where such employees are stationed.

(34) Subsistence and quarters for persons confined in communicable disease camps and employees in the Culion Leper Colony. — The Director of Health is hereby authorized to furnish subsistence and quarters to persons con-

fined in communicable disease camps or hospitals, and to grant subsistence and quarters to employees on duty in the Culion Leper Colony.

(35) Purchase of anti-toxins, tiki-tiki, vaccines, sera, etc. — Whenever the portion of the appropriation of the Department of Public Instruction for "consumption of supplies and materials" provided for the purchase of tiki-tiki, anti-toxins, vaccines, sera, and other biological products becomes insufficient, the Secretary of Public Instruction may authorize the use of any savings from the different items of appropriations of the Department of Public Instruction and the bureaus and offices under it for the purpose.

(36) Use of savings to control and eradicate epidemics. — Upon certification to the President by the Secretary of Public Instruction that an epidemic of a dangerous and contagious disease exists in any part of the Philippines and the appropriations at the disposal of his department are insufficient to control and eradicate the epidemic, the President may authorize the use of any savings from the appropriations of any other executive department, not only for the purchase of tiki-tiki, anti-toxins, vaccines, sera, and other biological products, but also for other expenses necessary to control and eradicate the epidemic.

BUREAU OF PUBLIC WELFARE

(37) Subsistence, clothing, and articles of instruction for orphans. — The item for "consumption of supplies and materials" may be used for subsistence and clothing of the orphans committed to the institutions under the Bureau of Public Welfare and shall include materials and other necessary articles of instruction.

(38) Quarters allowance for employees under the Bureau of Public Welfare. — Officers and employees detailed for duty requiring residence in an institution under the supervision of the Director of Public Welfare shall be furnished with quarters in kind.

PHILIPPINE GENERAL HOSPITAL

(39) Purchase of uniforms. — The appropriation for "consumption of supplies and materials," of the Department of Public Instruction which may be allotted for use of the Philippine General Hospital shall be available for the purchase of uniforms or the materials necessary for the same, to be worn by the employees of the hospital who are required to use such uniforms while on duty, and by the patients in the same.

(40) Retention of monthly allowance of student nurse. — The Superintendent of the Philippine General Hospital may order the retention of the monthly allowance granted to each student of the School of Nursing and the withholding of its payment until the conditions of the contract signed at the time of his or her admission to the school shall have been complied with.

(41) Share in fees collected from services of physicians. — The resident physicians of the Philippine General Hospital designated by the Superintendent of the hospital to attend to pay patients and whose fees for medical services collected by the hospital amount to a sum in excess of the salary, subsistence, and laundry allowances assigned to them by law, may, upon recommendation of the Superintendent of the hospital, approved by the department head, in addition to their salary, subsistence, and laundry allowances, be paid twenty per centum of the amount of such fees collected in excess of the said salary, subsistence, and laundry allowances.

BUREAU OF QUARANTINE SERVICE

(42) Use of unexpended balance of appropriation for salaries and wages for additional personnel. — Any unexpended balance of the appropriation for "salaries and wages" of the Bureau of Quarantine Service may be used, in the discretion of the Secretary of Public Instruction, for the hire of temporary employees, assistant disinfectors, and laborers assisting the regular force in disinfection work or in handling supplies, necessitated by the presence of quarantinable diseases; for the payment of fees, not to exceed twenty pesos per vessel, to qualified physicians

for quarantine inspection of vessels at ports of every entry where no officer of the United States Public Health Service is available; and for wages of persons employed for the maintenance of the grounds and equipment of the quarantine stations.

UNIVERSITY OF THE PHILIPPINES

(43) Financial report of the University of the Philippines. — The Board of Regents of the University of the Philippines shall render, through the President, to the National Assembly a detailed account of the disbursement of the funds appropriated as aid to the said university, as well as of the receipts accruing to same, with such additional data and information as it may deem necessary. Such report shall be submitted not later than thirty days after the close of the fiscal year to which it pertains.

SEC. 8. Repealing clause. — All provisions of Act Numbered Twenty-nine hundred and thirty-five and other general appropriation acts which were declared permanent legislation are repealed.

SEC. 9. Effective date. — This Act shall take effect on January first, nineteen hundred and thirty-eight.

APPROVED, December 17, 1937.

Annotations: Amended by C.A. Nos. 374, 435. See also R.A. Nos. 433, 992.

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