

Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City

THIRTEENTH CONGRESS
First Regular Session

HB NO. 1613



Introduced by Rep. Roseller L. Barinaga

EXPLANATORY NOTE

This proposed measure requires all government-owned and controlled corporation (GOCCs) and enterprises to submit to the Congress for approval their respective annual budgets of expenditures and sources of financing.

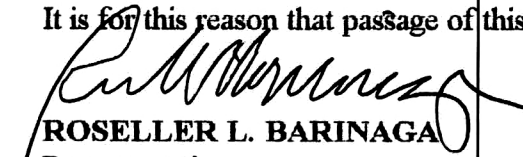
If, the Congress exercises power over the OWWA – a government agency that does not at all, in one way or the other, get any budgetary allocation from the national government (being its administration and general operation, including its disbursements and utilization of its Funds subjected to legislative scrutiny), there is no way that GOCCs should be specially treated and spare from congressional scrutiny especially on concerns related to their respective annual budgetary allocations and expenses.

More than just the national government's revenue-generating agencies, GOCCs also get share from the annual budget. The loans they incur, the national government allots a portion of its annual budget for payment. Whatever losses they may have are often assumed by the government, thus, making the affinity of these corporations and enterprises so close and tight to the concerns of the Congress.

This proposed bill is not the first ever filed of this sort in Congress. In fact, Republic Act No. 7638 –which established the Department of Energy and paved for the rationalization of the organization and the functions of the various agencies attached to said department – mandates the PNOC, NAPOCOR and the NEA to submit their respective annual budgets to the Congress for approval.

The enactment of this bill into law will not only promote the desired transparency and accountability in the various GOCCs, this will also allow Congress to ensure that the legislative measures it enact are coherent with the realities that the GOCCs experience in their respective areas of operation and so GOCCs, in return, would ensure that their operation run consistent with the goals and visions of the national government.

It is for this reason that passage of this bill is sought.


ROSELLER L. BARINAGA
Representative
2nd District, Zamboanga del Norte

Congress of the Philippines)
Thirteenth Congress)
First Regular Session)

HOUSE OF REPRESENTATIVES

HB NO. 1613

Introduced by Rep. Roseller L. Barinaga

AN ACT

**REQUIRING THE MANDATORY SUBMISSION OF THE ANNUAL BUDGETS OF
GOVERNMENT-OWNED AND /OR CONTROLLED CORPORATIONS TO THE
CONGRESS AND FOR OTHER PURPOSES**

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

SECTION 1. *Declaration of Policy.* It is hereby declared the policy of the State to require all government-owned and/or controlled corporations/enterprises to submit their annual budgets for congressional scrutiny and approval.

SEC. 2. *Government-owned and/ or controlled corporations Budget.* The finances of the government shall be analyzed and determined as the aggregate of revenue, expenditure and debt of all units of government.

The budget of the National Government shall be evolved within the framework of the total impact of government activity on the national economy.

The budget of government-owned and/ or controlled corporations/enterprises shall be consistent in form and timing with that of the National Government to facilitate comprehensive evaluation, except as these may be modified to suit the peculiarities of individual corporations. These budgets shall be formulated on the basis of an obligation authority and/or a cash basis of accounting or variations thereof as may be duly approved under pertinent laws.

SEC. 3. *Congressional Approval.* All government-owned and/or controlled corporations/enterprises shall be required to submit their respective annual budgets to the Congress for approval within thirty (30) days from the opening of every regular session.

No government-owned and/or controlled corporations/enterprises shall incur obligations or make payments for current operating or capital expenditures after the beginning of each calendar year without a budget approved by the Congress and signed by the President.

If, by the end of any fiscal year, the Congress shall have failed to pass the annual budget for the ensuing fiscal year of any government-owned and/or controlled corporations/enterprises, the annual budget for the preceding year shall be deemed re-enacted and shall remain in force and effect until the annual budget for the ensuing fiscal year is passed.

SEC. 4. *Repealing Clause.* All laws, presidential decrees, executive orders, and rules and regulations, or parts thereof, inconsistent with the provisions of this Act are hereby repealed or modified accordingly.

SEC. 5. *Rules and Regulations.* The Department of Budget and Management (DBM) shall issue the necessary rules and regulations governing the implementation of this Act.

SEC. 6. *Separability Clause.* If, for any reason, any section or provision of this Act is held unconstitutional or invalid, the other sections or provisions hereof shall not be effected thereby.

SEC. 7. *Effectivity Clause.* This Act shall take effect after its publication in at least two (2) national newspaper of general circulation.

Approved.