

Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City

13th Congress

FIRST REGULAR SESSION

HOUSE BILL NO. 4424



Introduced by Rep. HERMILANDO I. MANDANAS
2ND District, Batangas

EXPLANATORY NOTE

This bill seeks to give total effect to the independence granted by the 1987 Constitution to the Judicial Department.

Article VIII, Section 3 of the 1987 Constitution provides that the Judiciary shall enjoy fiscal autonomy. Appropriations for the Judiciary may not be reduced by the legislature below the amount appropriated for the previous year and, after approval, shall be automatically and regularly released.

The Supreme Court, in *Bengzon v. Drilon* (208 SCRA 150), also interpreted fiscal autonomy as guaranteeing full flexibility of the Judiciary to allocate and utilize their resources with the wisdom and dispatch that their needs require in the course of the discharge of their functions.

The foregoing notwithstanding, the Judicial Department cannot be said to enjoy full fiscal autonomy, relative to the approval and release of its annual budgetary appropriations. Its fiscal autonomy, independence and dignity are gravely compromised by the spectacle of its heads and officials queuing before Congressional hearings every year, attempting to defend its share in the national budget.

This undesirable circumstance should be put to an end through the enactment of a law exempting the Judicial Department from seeking Congressional approval for its budgetary allocation. Thereby, Members of the Judiciary are spared rigorous Congressional hearings, and its fiscal autonomy given full effect. Such a law would also preserve the objectivity and independence of the Judicial Department.

In view of all the foregoing, approval of this bill is earnestly sought.


REP. HERMILANDO I. MANDANAS

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**AN ACT ENSURING THE FISCAL INDEPENDENCE OF
THE JUDICIAL DEPARTMENT, PROVIDING FOR A DEFINITE SHARE OF
SAID DEPARTMENT IN THE NATIONAL INTERNAL REVENUES AND
THE AUTOMATIC AND PROMPT RELEASE THEREOF**

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

SECTION 1. ALLOCATION TO THE JUDICIAL DEPARTMENT - The share in the Annual General Appropriations Act of the Judicial Department shall be based on the national internal revenue collections of the third fiscal year preceding the current fiscal year, which shall not be lower than two and one-half percent (2.5%) of the national internal revenues.

SECTION 2. AUTOMATIC RELEASE OF SHARES - The share in the General Appropriation Act of the Judicial Department in the national internal revenues shall be released within five (5) days of each month, without need of any further action, directly to them and which shall not be subject to any lien or holdback that may be imposed by the National Government for whatever purpose.

SECTION 3. PREPARATION, CONSOLIDATION AND APPROVAL OF THE BUDGETARY APPROPRIATIONS OF THE JUDICIAL DEPARTMENT - The Budget Division of the Supreme Court shall prepare and consolidate the budgetary appropriations of all Courts, agencies and offices under the Judicial Department, the same to be approved by the Supreme Court *en banc*.

SECTION 4. REPEALING CLAUSE - All laws, presidential decrees, executive orders, letters of instruction, rules and regulations or parts thereof inconsistent with this provisions of this Act are hereby repealed or modified accordingly.

SECTION 5. EFFECTIVITY CLAUSE - This Act shall take effect fifteen (15) days following its publication in the Official Gazette or in two (2) newspapers of general circulation.

APPROVED.