

Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City

FIFTEENTH CONGRESS
First Regular Session

HOUSE BILL NO. 1100

Introduced by **HONORABLE EDCCEL C. LAGMAN**

EXPLANATORY NOTE

This bill seeks to institutionalize the prohibition against impoundment of appropriations by the Executive and to redeem for the Congress the plenary power of the purse.

The prohibition, which was a bi-partisan initiative endorsed by 138 Members of the House of Representatives and concurred in by the Senate in the 14th Congress, has been included in the FY 2010 General Appropriations Act as Sec. 67 of the General Provisions thereof. This section was not directly vetoed by the then President but was only subject to "conditional implementation".

The anti-impoundment provision is valid, proper and long overdue for the following reasons:

1. This is clearly constitutional as it seeks to fully recognize the Congressional authority over the purse. What Congress appropriates must not be derogated by the Executive's unrestricted authority to impound budgetary allocations. This bill makes the General Appropriations Act (GAA), an enactment of Congress and approved by the President, superior over the National Expenditure Program (NEP), which is only a budgetary proposal of the President subject to modification and disposition by Congress.

2. This is not arbitrary because if the President's inability to release funds is justified pursuant to her notification to Congress, the legislative department will not unreasonably withhold its concurrence. This is unlike the present practice of impoundment which is subject to the sole discretion of the Executive, and most often furtive.

3. This is not intended for the benefit of individual Members of Congress but this provision would enhance the stature of the Congress as a co-equal branch of government and would assure the release of budgetary allocations not otherwise directly vetoed by the President.

4. This is not to protect congressional allocations or the Priority Development Assistance Fund (PDAF) which is a small portion of the national budget, and has been declared constitutional by the Supreme Court in *Philconsa vs. Enriquez* (235 SCRA 506), even as it is a development agenda and a poverty alleviation policy.

5. This is not without precedent because since 2003 there has been a general provision on anti-impoundment but this has been rendered useless because it was

subject to the issuance of implementing rules by the Department of Budget and Management which never issued the rules.

6. This is patterned after the U.S. Budget Control Act which was adopted at the time President Richard Nixon started to impound congressional allocations.

Accordingly, approval of this measure is earnestly sought.



EDCEL C. LAGMAN

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HOUSE BILL NO. _____

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AN ACT
PROHIBITING IMPOUNDMENT OF APPROPRIATIONS, AMENDING FOR
THE PURPOSE CHAPTER 5 OF EXECUTIVE ORDER NO. 292 INSTITUTING THE
"ADMINISTRATIVE CODE OF 1987"

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

SECTION 1. Chapter 5 of Executive Order No. 292 is hereby amended by providing a new section numbered 33 to read as follows:

"SEC. 32. *Use of Appropriated Funds.* - x x x

SEC. 33. PROHIBITION AGAINST IMPOUNDMENT OF APPROPRIATIONS.- THE PRESIDENT SHALL RELEASE ALL BUDGETARY ALLOCATIONS PROVIDED FOR IN THE GENERAL APPROPRIATIONS ACT, EXCEPT IN THE FOLLOWING CIRCUMSTANCES: A) WHEN THE PRESIDENT SUBMITS A PROPOSAL TO CONGRESS TO IMPOUND OR PERMANENTLY WITHHOLD THE RELEASE OF A PARTICULAR APPROPRIATION ITEM AND CONGRESS DOES NOT ACT ON THE PROPOSAL WITHIN FORTY-FIVE (45) CALENDAR DAYS FROM ITS SUBMISSION TO THE SENATE PRESIDENT AND THE SPEAKER OF THE HOUSE OF REPRESENTATIVES, UNLESS DURING THE SAID PERIOD THE CONGRESS BY A CONCURRENT RESOLUTION DENIES OR REJECTS THE PROPOSAL BY A VOTE OF A SIMPLE MAJORITY OF THE QUORUM: PROVIDED, HOWEVER, THAT THE TIME COVERED BY THE PERIODIC ADJOURNMENTS OF CONGRESS SHALL NOT BE RECKONED IN THE COMPUTATION OF THE 45-DAY PERIOD; AND B) WHEN THE PRESIDENT TEMPORARILY DEFERS THE RELEASE OF A PARTICULAR APPROPRIATION ITEM UPON PRIOR WRITTEN NOTICE TO CONGRESS, THROUGH THE SENATE PRESIDENT AND THE SPEAKER OF THE HOUSE OF REPRESENTATIVES, WHICH DEFERMENT SHALL SUBSIST UNLESS CONGRESS STOPS OR REJECTS THE DEFERMENT IN A CONCURRENT RESOLUTION ADOPTED BY A SIMPLE MAJORITY OF THE QUORUM.

SEC. [33.] 34. Allotment of Appropriations. - x x x

SEC. 2. This Act shall take effect upon its approval.

Approved,