



Fifteenth Congress
Third Regular Session

HOUSE BILL NO. 6441

Introduced by Honorable Rosenda Ann M. Ocampo

EXPLANATORY NOTE

The Judiciary Development Fund (JDF) was established under Presidential Decree (PD) No. 1949 to augment the allowances of the members and personnel of the Judiciary and to finance the acquisition, maintenance and repair of court offices' equipment and facilities. The JDF is derived from legal fees paid by the people who avail of court services and from other sources of revenue identified by the Supreme Court.

Pursuant to PD 1949, the Chief Justice of the Supreme Court administers and allocates the JDF. The Chief Justice has the sole exclusive power and duty to approve disbursements and expenditures of the fund. In recent years, critics of the Supreme Court have pointed out the lack of transparency and accountability in the disbursement of the JDF. In the recent impeachment case of former Chief Justice Renato C. Corona, the alleged failure and refusal to account for the Judiciary Development Fund was included as one of the grounds for his impeachment.

To ensure transparency in the custody, accounting and disbursement of the Judiciary Development Fund, this bill mandates the transfer of the administration of the Judiciary Development Fund to the Bureau of Treasury. Further, it also ensures the inclusion of the allocation of the JDF in the budget of the Supreme Court in the annual General Appropriations Act.

This bill also intends to insulate the position of the Chief Justice from unwarranted criticisms or false accusations of corruption in the administration of the JDF. Moreover, the Supreme Court will continue to exercise its exclusive power to identify the expenditures to be paid from the JDF in accordance with PD 1949.

Ultimately, this bill will promote public accountability and transparency in handling the Judiciary Development Fund and will prevent the abuse of discretion in its administration.

In view of the foregoing, approval of this bill is urgently requested.

A handwritten signature in black ink, appearing to read "Rosenda Ann M. Ocampo". The signature is fluid and cursive, with a large initial "R".

—ROSENDA ANN M. OCAMPO

Fifteenth Congress
Third Regular Session

HOUSE BILL NO. 6441

Introduced by Honorable Rosenda Ann M. Ocampo

**AN ACT
MANDATING THE TRANSFER OF THE ADMINISTRATION OF THE
JUDICIARY DEVELOPMENT FUND FROM THE SUPREME COURT
TO THE BUREAU OF TREASURY**

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

SECTION 1. Notwithstanding the provisions of existing laws, the administration of the Judiciary Development Fund (JDF) as established pursuant to Presidential Decree (PD) No. 1949 is hereby transferred to the Bureau of Treasury starting on the next fiscal year after the effectivity of this Act. Thereafter, all fees, constituting the JDF, collected by the courts in accordance with the existing guidelines issued by the Supreme Court, shall be remitted regularly by the Supreme Court to the Bureau of Treasury in accordance with the implementing rules and regulations promulgated under this Act.

The amount accruing to the JDF shall be held in trust by the National Treasury for the Judiciary. It shall be allocated and used exclusively for the purpose indicated in Section 1 of PD 1949 and shall be included and treated as a separate and distinct budget item of the Supreme Court in the annual General

Appropriations Act. Notwithstanding the transfer of funds to the National Treasury, Congress shall ensure that the fiscal independence and autonomy of the Supreme Court is maintained.

The Commission on Audit shall, through the Auditor of the Supreme Court or his duly authorized representatives, audit quarterly the receipts, revenues, uses, disbursements and expenditures of the JDF, and shall submit the appropriate report in writing to the Chairman of the Commission on Audit and to the Chief Justice of the Supreme Court, copy furnished the Presiding Justices of the Court of Appeals, Court of Tax Appeals, and Sandiganbayan and all Executive Judges.

SEC. 2. Within ninety (90) days from the approval of this Act, the Chief Justice of the Supreme Court shall, in coordination with the Secretary of Budget and Management and the National Treasurer, formulate the necessary rules and regulations for the effective implementation of this Act.

SEC. 3. Sections 2 and 3 of Presidential Decree No. 1949 are hereby repealed. All other laws, orders, decrees, rules and regulation inconsistent herewith are hereby amended or modified accordingly.

SEC.4. If any provision of this Act is declared invalid or unconstitutional, the provisions not affected shall continue to be in full force and effect.

SEC.5 This Act shall take effect fifteen (15) days after its publication in the Official Gazette or in two (2) national newspapers of general circulation.

Approved,