

Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City

FIFTEENTH CONGRESS
Third Regular Session

HOUSE BILL NO. 6696



INTRODUCED BY HONORABLE MARIA EVITA R. ARAGO

EXPLANATORY NOTE

In accordance with the thrust of the government on public accountability and transparency, this bill seeks to allow the general public access to transactions in the local government units. The measure will ensure that local government officials will adhere to fiscal responsibility and transparency by mandating them to make known to the public all financial and fiscal related activities of the local government units within their jurisdiction.

The amendment specifically requires detailed account of expenditures and disbursements and not only a statement of income and expense. The fiscal transactions would include the Annual Budget, Quarterly Statement of Cash Flows, Statement of Receipts and Expenditures, Trust Fund (PDAF) Utilization, Special Education Fund Utilization, Statement of Debt Service, Annual Procurement Plan or Procurement List, Items to Bid, Bid Results on Civil Works, Goods and Services, and Abstract of Bids as Calculated.

It is envisioned that disclosures of these expenditures and financial activities would ensure that public money is spent well on public service.

In view of the foregoing the urgent passage of this proposed measure is earnestly sought.


MARIA EVITA R. ARAGO
Representative
3rd District of Laguna

House of Representatives

H.B. No. 6696

Introduced by Representative Maria Evita R. Arago

AN ACT

MANDATING FULL PUBLIC DISCLOSURE BY GOVERNORS, MAYORS,
TREASURERS, ACCOUNTANTS, BUDGET OFFICERS AND OTHER FUND
ACCOUNTABLE OFFICERS OF THE LOCAL BUDGET AND FINANCES OF THE
LOCAL GOVERNMENT UNIT AMENDING SECTION 352 of REPUBLIC ACT 7160,
OTHERWISE KNOWN AS THE "LOCAL GOVERNMENT CODE OF 1991" AND FOR
OTHER PURPOSES

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

1 *Section 1. Short Title.* - This Act shall be known as the "Local Government
2 Transactions Disclosure Act of 2012".

3 *Section 2. Declaration of Policy.* - The government recognizes the principle that
4 public office is a public trust, local government officials and employees must at all times
5 be accountable to the people, and shall perform their functions with integrity, efficiency,
6 competence and uphold public interest at all times.

7
8
9 Section 3. Section 352 is hereby amended to read as follows:

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11 **SECTION 352. (A) FULL DISCLOSURE AND MANDATORY POSTING**
12 **OF LOCAL BUDGET AND FINANCES, EXPENDITURES, DISBURSEMENTS,**
13 **FUNDS UTILIZATION, BIDS AND PUBLIC OFFERINGS. ALL PROVINCIAL**
14 **GOVERNORS, CITY MAYORS AND MUNICIPAL MAYORS SHALL MAKE A**
15 **FULL DISCLOSURE AND CAUSE THE POSTING OF THE FOLLOWING**
16 **FISCAL ITEMS:**

17
18 **I. ANNUAL BUDGET**

19 **II. QUARTERLY STATEMENT OF CASH FLOWS**

20 **III. STATEMENT OF RECEIPTS AND EXPENDITURES**

21 **IV. TRUST FUND (PDAF) UTILIZATION**

22 **V. SPECIAL EDUCATION FUND UTILIZATION**

23 **VI. 20% COMPONENT OF THE IRA UTILIZATION**

24 **VII. GENDER AND DEVELOPMENT FUND UTILIZATION**

25 **VIII. STATEMENT OF DEBT SERVICE**

26 **IX. ANNUAL PROCUREMENT PLAN OR PROCUREMENT LIST**

27 **X. ITEMS TO BID**

28 **XI. BID RESULTS ON CIVIL WORKS, GOODS AND SERVICES**

29 **XII. ABSTRACT OF BIDS CALCULATED**

30
31 **(B) LOCAL TREASURERS, ACCOUNTANTS, BUDGET OFFICERS**
32 **AND OTHER ACCOUNTABLE OFFICERS SHALL, WITHIN THIRTY (30)**
33 **DAYS FROM THE COMPLETION OF THE PREPARATION OF THE**
34 **ABOVE FISCAL ITEMS IN ACCORDANCE WITH THE FORMS,**
35 **PROCEDURES, AND SCHEDULES PRESCRIBED BY THE DEPARTMENT**
36 **OF BUDGET AND MANAGEMENT AND THOSE THAT MAY BE JOINTLY**
37 **ISSUED WITH THE COMMISSION ON AUDIT AND OTHER**

38 RESPONSIBLE AGENCIES, POST THE SAME IN THREE (3) PUBLICLY
39 ACCESSIBLE AND CONSPICUOUS PLACES IN THE LOCALITY, AND IN
40 ADDITION, IN ANY ONE OF THE MEANS PROVIDED HEREIN:
41

42 I. OFFICAL WEBSITE OF THE LOCAL GOVERNMENT UNIT, OR IF
43 THERE IS NO WEBSITE AVAILABLE, ON THE OFFICIAL
44 WEBSITE OF THE PROVINCE HAVING TERRITORIAL
45 JURISDICTION OVER THE SAID LOCAL GOVERNMENT UNIT;

46 II. PUBLICATION IN A NEWSPAPER OF GENERAL CIRCULATION. THE
47 POSTING REQUIREMENT IN PUBLIC PLACES AND IN THE
48 OFFICIAL WEBSITE SHALL BE CONTINUOUS UNTIL THE NEXT
49 REPORTORIAL UPDATE, WHENEVER APPLICABLE, IS
50 ACCOMPLISHED AND PREPARED FOR POSTING.
51

52 (C) ALL PROCUREMENT RELATED ACTIVITIES AND
53 REQUIREMENT OF THE CONCERNED LOCAL GOVERNMENT UNIT,
54 SUCH AS THE INVITATION TO BID, NOTICE OF AWARD, NOTICE TO
55 PROCEED, AND APPROVED CONTRACT IN PROCURING ENTITY'S
56 PREMISES, SHALL STRICTLY COMPLY WITH THE POSTING AND
57 PUBLICATION REQUIREMENT UNDER REPUBLIC ACT NO. 9184,
58 OTHERWISE KNOWN AS THE GOVERNMENT PROCUREMENT
59 REFORM ACT, WHEREIN POSTING AND PUBLICATION SHALL BE
60 MADE IN A NEWSPAPER OF GENERAL CIRCULATION AND IN THE
61 WEBSITE OF THE PROCURING ENTITY.
62

63 Section 4. *Criminal and Administrative Liability.* The penalty of imprisonment
64 of not less than one (1) month but not more than six (6) months, and/or a fine not
65 exceeding the equivalent of six (6) months' salary or suspension not exceeding one (1)
66 year, shall be imposed, in addition to the imposition of administrative sanction, upon
67 public officer or employee who shall violate any of the provisions of this Act.
68

69 Section 5. *Separability Clause.* If, for any reason, any part or provision of this
70 Act shall be held unconstitutional or invalid, other parts or provisions hereof which are
71 not affected thereby shall continue to be in full force and effect.
72

73 Section 6.. *Repealing Clause.* All laws, decrees, Executive Orders and Republic
74 Acts inconsistent herewith are hereby deemed repealed.
75

76 Section 7. *Effectivity.* This Act shall take effect fifteen days (15) days following its
77 publication in at least two (2) newspapers of general circulation or the Official Gazette.
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80 *Approved,*
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