

Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City, Metro Manila

SIXTEENTH CONGRESS
First Regular Session

HOUSE BILL NO. 1288



Introduced by Representative Roman T. Romulo
Lone District of Pasig City

EXPLANATORY NOTE

The Philippines has a very poor record in curbing graft and corruption in the government in spite of the numerous laws that have been passed to help lessen and eventually put a stop to such problem. The corruption is so rampant that no institution has been spared from it. In recent months, it has been shown to have plagued even the military and the judiciary.

The deleterious effect of graft and corruption is obvious. For every amount that goes to the pocket of corrupt government officials, a family is deprived of food, shelter and health care, and a child is deprived of good education. Indeed, the present administration was swept into office on the promise that it will alleviate poverty by curbing corruption.

One of the institutions created by the Philippine Constitution itself to ensure transparency in government is the Commission on Audit. Its powers under the Constitution have been designed to be so broad and extensive in order to make it an effective and efficient mechanism against corruption. Under Section 2(2) of Article IX-D, it is given the "exclusive authority to define the scope of its audit and examination, establish the techniques and methods required therefore, and promulgate accounting and auditing rules and regulations, including those for the prevention and disallowance of irregular, unnecessary, excessive, extravagant, or unconscionable expenditures, or use of government funds and properties." Thus, given its broad powers, there is no reason for the Commission to fail in its mandate.

Unfortunately, corruption, even though institutional, is a problem of individual moral character at its very root. It is clear that some of the individuals in the Commission itself have been corrupted by the system instead of being steadfast in their Constitutional roles as watchdogs in the government. In other words, the watchdogs now need to be watched themselves; a classic case of what we Filipinos call "bantay-salakay."

Indeed, any intelligent person would easily see that it would be impossible for corruption to happen if the resident auditors assigned by the Commission to various government agencies would only remain faithful to their mandate and do their job. Corruption happens only because the resident auditors allowed it to.

Thus, there is a need to make the auditors themselves more accountable. To do that, the law must exact higher standards of transparency and accountability from them. For this purpose, RA 3019 or the "Anti-Graft and Corrupt Practices Act" has to be amended to that effect.

For these reasons, the passage of this bill is earnestly sought.

A handwritten signature in black ink, appearing to read "Roman T. Romulo".

HON. ROMAN T. ROMULO

HOUSE OF REPRESENTATIVES
Quezon City, Metro Manila

15th CONGRESS

HOUSE BILL NO. 1288

Introduced by Representative Roman T. Romulo
Lone District of Pasig City

**AN ACT TO AMEND SECTION 3 OF REPUBLIC ACT NO. 3019, ENTITLED
"ANTI-GRAFT AND CORRUPT PRACTICES ACT"**

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

Section 1. Section 3 of Republic Act No. 3019, entitled "Anti-Graft and Corrupt Practices Act", is hereby amended to include a new sub-section (I) and to read as follows:

Section 3. *Corrupt practices of public officers.* – In addition to acts or omissions of public officers already penalized by existing law, the following shall constitute corrupt practices of any public officer and are hereby declared to be unlawful:

- (a) Persuading, inducing or influencing another public officer to perform an act constituting a violation of rules and regulations duly promulgated by competent authority or an offense in connection with the official duties of the latter, or allowing himself to be persuaded, induced, or influenced to commit such violation or offense.
- (b) Directly or indirectly requesting or receiving any gift, present, share, percentage, or benefit, for himself or for any other person, in connection with any contract or transaction between the Government and any other part, wherein the public officer in his official capacity has to intervene under the law.
- (c) Directly or indirectly requesting or receiving any gift, present or other pecuniary or material benefit, for himself or for another, from any person for whom the public officer, in any manner or capacity, has secured or obtained, or will secure or obtain, any Government permit or license, in consideration for the help given or to be given, without prejudice to Section thirteen of this Act.
- (d) Accepting or having any member of his family accept employment in a private enterprise which has pending official business with him during the pendency thereof or within one year after its termination.
- (e) Causing any undue injury to any party, including the Government, or giving any private party any unwarranted

benefits, advantage or preference in the discharge of his official administrative or judicial functions through manifest partiality, evident bad faith or gross inexcusable negligence. This provision shall apply to officers and employees of offices or government corporations charged with the grant of licenses or permits or other concessions.

- (f) Neglecting or refusing, after due demand or request, without sufficient justification, to act within a reasonable time on any matter pending before him for the purpose of obtaining, directly or indirectly, from any person interested in the matter some pecuniary or material benefit or advantage, or for the purpose of favoring his own interest or giving undue advantage in favor of or discriminating against any other interested party.
- (g) Entering, on behalf of the Government, into any contract or transaction manifestly and grossly disadvantageous to the same, whether or not the public officer profited or will profit thereby.
- (h) Director or indirectly having financing or pecuniary interest in any business, contract or transaction in connection with which he intervenes or takes part in his official capacity, or in which he is prohibited by the Constitution or by any law from having any interest.
- (i) Directly or indirectly becoming interested, for personal gain, or having a material interest in any transaction or act requiring the approval of a board, panel or group of which he is a member, and which exercises discretion in such approval, even if he votes against the same or does not participate in the action of the board, committee, panel or group.

Interest for personal gain shall be presumed against those public officers responsible for the approval of manifestly unlawful, inequitable, or irregular transaction or acts by the board, panel or group to which they belong.

- (j) Knowingly approving or granting any license, permit, privilege or benefit in favor of any person not qualified for or not legally entitled to such license, permit, privilege or advantage, or of a mere representative or dummy of one who is not so qualified or entitled.
- (k) Divulging valuable information of a confidential character, acquired by his office or by him on account of his official position to unauthorized persons, or releasing such information in advance of its authorized release date.
- (l) FAILURE, DUE TO GROSS NEGLIGENCE OR DELIBERATE REFUSAL TO ACT WITHOUT ANY REASONABLE EXCUSE OR FOR PERSONAL GAIN, TO PERFORM AN ACT INHERENT TO HIS APPOINTED POSITION OR LAWFUL DESIGNATION, TO DISAPPROVE, DISALLOW, AUDIT OR REPORT MANIFESTLY IRREGULAR, UNNECESSARY, EXCESSIVE, EXTRAVAGANT, OR UNCONSCIONABLE EXPENDITURES, OR USE OF GOVERNMENT FUNDS AND PROPERTIES, WHICH CONSTITUTE AND/OR AID ANY

CORRUPT PRACTICES UNDER THIS ACT OR EXISTING LAWS.

INTEREST FOR PERSONAL GAIN SHALL BE PRESUMED AGAINST THOSE PUBLIC OFFICERS WHO FAIL TO DISAPPROVE, DISALLOW, AUDIT OR REPORT MANIFESTLY IRREGULAR, UNNECESSARY, EXCESSIVE, EXTRAVAGANT, OR UNCONSCIONABLE EXPENDITURES, OR USE OF GOVERNMENT FUNDS AND PROPERTIES.

The person giving the gift, present, share, percentage or benefit referred to in subparagraphs (b) and (c); or offering or giving to the public officer the employment mentioned in subparagraph (d); or urging the divulging or untimely release of the confidential information referred to in subparagraph (k) of this section shall, together with the offending public officer, be punished under Section nine of this Act and shall be permanently or temporarily disqualified in the discretion of the Court, from transacting business in any form with the Government.

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

Approved.