

REPUBLIC OF THE PHILIPPINES
HOUSE OF REPRESENTATIVES
Quezon City

SEVENTEENTH CONGRESS
First Regular Session

House Bill No. 5425



Introduced by **MAGDALO Party-List Representative**
HON. GARY C. ALEJANO

EXPLANATORY NOTE

Every April of each year, millions of Filipinos line up to fill out their tax returns and send a portion of their hard-earned money for the government to spend. These taxpayers, however, do not have any idea where their money went after paying their appropriate taxes. With news and stories involving millions of pesos being lost by the government to graft and corruption, taxpayers have the right to know how their money is being spent and if they are getting the right value for it.

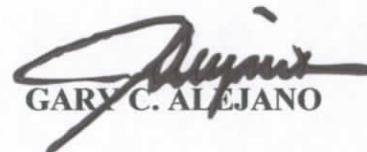
Further, Article 2, Sections 27 and 28 of the Constitution provides:

SEC 27. The State shall maintain honesty and integrity in the public service and take positive and effective measures against graft and corruption.

SEC 28. Subject to reasonable conditions prescribed by law, the State adopts and implements a policy of full public disclosure of all its transactions involving public interest.

Our people need a new tool to hold the government accountable for spending decisions. Thus, this bill aims to increase accountability and reduce incentives for wasteful spending by providing the public with information about how their taxes are spent thru a searchable website which would foster a culture of openness, transparency, and accountability throughout the whole bureaucracy.

In view of the foregoing, the immediate approval of this measure is earnestly sought.


GARY C. ALEJANO

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House Bill No. **5425**

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AN ACT
REQUIRING THE FULL DISCLOSURE OF ALL ENTITIES AND
ORGANIZATIONS RECEIVING GOVERNMENT FUNDS THRU A SEARCHABLE
DATABASE WEBSITE

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

1 **SECTION 1. *Short Title.*** - This act shall be known as the "Government Funding
2 Accountability and Transparency Act of 2017".

3
4 **SEC. 2. *Definition of Terms.*** - As used in this Act, the term-

5 (1) "Entity" - the term entity –

6 (A) Includes –

7 (i) A corporation;

8 (ii) An association;

9 (iii) A partnership;

10 (iv) A limited liability company;

11 (v) A limited liability partnership

12 (vi) Any other legal business entity

13 (vii) Any other grantee or contractor that is not included in subparagraph (2)
14 or (3); and

15 (viii) Local government Units; and

16
17 (B) Does not include-

18 (i) An individual recipient of government assistance;

19 (ii) A government employee; or

(iii) A grant or contract of a nature that could be reasonably expected to cause damage to national security.

(2) "Government Funding" means Government financial assistance and expenditures that include grants, contracts, sub-grants, subcontracts, loans, awards and other forms of financial assistance.

(3) "Searchable Database Website" means a website that allows the public to:

A) Search government funding by name of entity, parent entity, or type of industry, geography, including location of the entity and the primary location of the performance, amounts and types of government funding, program sources, type of activity being performed, time factors such as fiscal years or multiple fiscal years, and other relevant information; and

B) Download data included in subparagraph (A) including outcomes from searches.

SEC. 3. Website. - The database website established by this section-

(1) Shall not be considered in compliance if it links to the Philippine Government Electronic Procurement System (PhilGEPS) or other existing web sites and databases, unless each of those sites has information from all agencies and each category of information required to be itemized can be searched electronically by field in a single search;

(2) Shall provide an opportunity for the public to provide input about the utility of the site and recommendations for improvements; and

(3) Shall be updated not later than thirty (30) days after the award of any assistance requiring a posting.

SEC. 4. Full Disclosure of Entities Receiving Government Funding. -

(1) Effective beginning January 1, 2011 and subject to paragraphs (2) and (3), the Department of Budget and Management (DBM) shall ensure the existence and operation of a single updated searchable database website accessible by the public at no cost that includes for each entity receiving Government funding -

(a) The name of the identity;

(b) The amount of any government funds that the entity has received in each of the last ten (10) fiscal years;

(c) An itemized breakdown of each transaction, including funding agency, program source, and a description of the purpose of each funding action;

1 (d) The location of the entity and primary location of performance, including the city,
2 congressional district, and country;

3 (e) A unique identifier for each such entity and parent entity, should the entity be
4 owned by another entity; and

5 (f) Any other relevant information.
6

7 (2) Effective January 1, 2011, the website shall include data for fiscal years 2009 and 2008.

8 (3) Not later than January 1, 2011, information required by this section shall be posted on the
9 website for fiscal years 2000 through 2010.
10

11 **SEC. 5. *Agency Responsibility.*** - The Secretary of the DBM shall provide guidance to
12 agency heads to ensure compliance with this section.
13

14 **SEC. 6. *Implementation Report.*** - The Secretary of the DBM shall annually report to
15 the Senate and the House of Representatives with regard to the implementation of the website
16 that shall include data about the usage and public feedback on the utility of the site, including
17 recommendations for improvements. The annual report shall be made publicly available on
18 the website.
19

20 **SEC. 7. *Appropriations.*** - To carry out the provisions of this Act, such amount as
21 hereby necessary is hereby authorized to be appropriated to the National Treasury.
22

23 **SEC. 8. *Separability Clause.*** - If any provision of this Act is declared
24 unconstitutional or invalid, the remainder thereof not affected thereby shall continue to be in
25 full force and effect.
26

27 **SEC. 9. *Repealing Clause.*** - All laws, decrees, orders, rules and regulations or other
28 issuance or parts thereof inconsistent with the provision of this Act are hereby repealed,
29 amended or modified accordingly.
30

31 **SEC. 10. *Effectivity.*** - This Act shall take effect fifteen (15) days after its publication
32 in the Official Gazette or at least two (2) newspapers of general circulation.

Approved,