

Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City

Seventeenth Congress
First Regular Session

HOUSE OF REPRESENTATIVES
H.B. No. **5969**



Introduced by Representative H. Harry L. Roque Jr.

EXPLANATORY NOTE

The Constitution, Article 2, Section 27 provides:

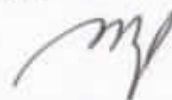
SEC. 27. The State shall maintain honesty and integrity in public service and take positive and effective measures against graft and corruption.

Graft and corruption has placed a heavy burden in our country throughout our history. In 2000, the World Bank estimated that the Philippines lost \$48 billion (P1.968 trillion) to corruption from 1977 to 1997. That amount would have addressed most of our current problems, not the very least of them poverty. Each administration has had its own program in fighting graft and corruption. Although each has resulted into certain levels of success, we have yet to accomplish a truly significant step in fighting corruption. According to economist Alejandro Lichauco, the Philippines is perennially in crisis because of “the mortal mix of corruption and poverty and a consequent loss of popular confidence in government and the electoral process as instruments of change.” The fatal mix, he said, is so massive and so intense as to have degenerated into a problem of mass hunger and corruption that is as massive as the massive poverty.¹ A 2007 World Bank study said that corruption in the Philippines was perceived to be the worst among East Asia’s leading economies.²

¹ Cost of corruption. Philippine Daily Inquirer. 12 February 2008.

² Dumlao, Doris. WB: Corruption in RP worst in East Asia. Philippine Daily Inquirer. 25 June 2008.

This bill seeks to provide our anti-graft and corruption agencies with a better tool against graft and corruption by addressing the weaknesses of Republic Act No. 3019, otherwise known as the "Anti-Graft and Corrupt Practices Act."³



H. HARRY L. ROQUE JR.

³ This bill was originally filed by Senator Miriam Defensor Santiago in the Sixteenth Congress, First Regular Session.

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

(b) "Public officer" includes elective and appointive officials and employees, permanent or temporary, whether in the classified or unclassified or exempt service, **WHETHER OR NOT** receiving compensation [, even nominal,] from the government as defined in the preceding subparagraph.

1 (c) "Receiving any gift" includes the act of accepting directly or
2 indirectly a gift from a person other than a member of the public
3 officer's immediate family, in behalf of himself or of any member
4 of his family or relative within the fourth civil degree, either by
5 consanguinity or affinity, even on the occasion of a family
6 celebration or national festivity like Christmas [, if the value of the
7 gift is under the circumstances manifestly excessive].

8 (d) "Person" includes natural and juridical persons, unless the context
9 indicates otherwise.

10 SECTION 2. Section 3 (b) of the same Act is hereby amended to read as follows:

11 (b) Directly or indirectly requesting or receiving any gift, present,
12 share, percentage, or benefit, for himself or for any other person,
13 in connection with any contract, [or] transaction, **OR**
14 **PROCEEDING** between the Government and any other part,
15 wherein the public officer in his official capacity has to intervene
16 under the law.

17 SECTION 3. Section 3 (e) of RA 3019 is hereby amended to read as follows:

18 (e) Causing any undue injury to any party, including the Government,
19 or giving any private party any unwarranted benefits, advantage or
20 preference in the discharge of his official administrative or
21 judicial functions through **SIMPLE** [manifest] partiality,
22 [evident] bad faith or gross **OR** inexcusable negligence. This
23 provision shall apply to officers and employees of offices or

1 government corporations charged with the grant of licenses or
2 permits or other concessions.

3 SECTION 4. Section 3 (g) of the same Act is hereby amended to read as follows:

4 (g) Entering, on behalf of the Government, into any contract or
5 transaction [manifestly and grossly] disadvantageous to the same,
6 whether or not the public officer profited or will profit thereby.

7 SECTION 5. Section 4 (a) of the same Act is hereby amended to read as follows:

8 SEC. 4. Prohibition on private individuals. –

9 (a) It shall be unlawful for any person having family or close personal
10 relation with any public official to capitalize or exploit or take
11 advantage of such family or close personal relation by directly or
12 indirectly requesting or receiving any present, gift or material or
13 pecuniary advantage from any other person having some business,
14 transaction, application, request or contract with the government, in
15 which such public official has to intervene. Family relation shall
16 include the spouse or relatives by consanguinity or affinity in the
17 **FOURTH** [third] civil degree. The word "close personal relation"
18 shall include close personal friendship, social and fraternal
19 connections, and professional employment all giving rise to
20 intimacy which assures free access to such public officer.

21 SECTION 6. Section 5 of RA 3019 is hereby amended to read as follows:

1 SEC. 4. Prohibition on certain relatives. – It shall be unlawful for the
2 spouse or for any relative, by consanguinity or affinity, within the
3 **FOURTH** [third] civil degree, of the President of the Philippines, the
4 Vice-President of the Philippines, the President of the Senate, or the
5 Speaker of the House of Representatives, to intervene, directly or
6 indirectly, in any business, transaction, contract or application with the
7 Government: Provided, That this section shall not apply to any person
8 who, prior to the assumption of office of any of the above officials to
9 whom he is related, has been already dealing with the Government
10 along the same line of business, nor to any transaction, contract or
11 application already existing or pending at the time of such assumption
12 of public office, nor to any application filed by him the approval of
13 which is not discretionary on the part of the official or officials
14 concerned but depends upon compliance with requisites provided by
15 law, or rules or regulations issued pursuant to law, nor to any act
16 lawfully performed in an official capacity or in the exercise of a
17 profession.

18 SECTION 7. Section 7 of the same Act is hereby deleted.

19 SECTION 8. Section 9 (b) of the same Act is hereby deleted.

20 SECTION 9. Section 11 of the same Act is hereby amended to read as follows:

21 SEC. 11. Prescription of offenses. – All offenses punishable under this
22 Act shall prescribe in **TWENTY** [fifteen] years.

1 SECTION 10. Section 12 of the same Act is hereby amended to read as follows:

2 SEC. 12. Termination of office. – **ANY PROVISION OF LAW TO**
3 **THE CONTRARY, NOTWITHSTANDING,** No public officer shall
4 be allowed to **RECEIVE OR CLAIM RETIREMENT BENEFITS**
5 [resign or retire] pending an investigation, criminal or administrative,
6 or pending a prosecution against him, for any offense under this Act,
7 **R.A. No. 7080 “AN ACT DEFINING AND PENALIZING THE**
8 **CRIME OF PLUNDER”** or under the provisions of the Revised
9 Penal Code on bribery. **RESIGNATION OF A RESPONDENT**
10 **PENDING ADMINISTRATIVE INVESTIGATION ARISING**
11 **FROM ANY VIOLATION OF THIS ACT, R.A. NO. 7080, OR**
12 **PROVISIONS OF THE REVISED PENAL CODE (RPC) ON**
13 **BRIBERY SHALL NOT PREJUDICE THE SAID**
14 **ADMINISTRATIVE CASE AND SHALL PROCEED UNTIL**
15 **FINALLY RESOLVED.**

16 SECTION 11. Section 14 of the same Act is hereby amended to read as follows:

17 SEC. 14. Exception. – [Unsolicited gifts or presents of small or
18 insignificant value offered or given as a mere ordinary token of
19 gratitude or friendship according to local customs or usage, shall be
20 excepted from the provisions of this Act.] Nothing in this Act shall be
21 interpreted to prejudice or prohibit the practice of any profession,
22 lawful trade or occupation by any private person or by any public
23 officer who under the law may legitimately practice his profession,

1 trade or occupation, during his incumbency, except where the practice
2 of such profession, trade or occupation involves conspiracy with any
3 other person or public official to commit any of the violations
4 penalized in this Act.

5 SECTION 12. *Separability Clause.* – If any provision or part hereof is held invalid or
6 unconstitutional, the remainder of the law or the provision not otherwise affected shall remain
7 valid and subsisting.

8 SECTION 13. *Repealing Clause.* – Any law, presidential decree or issuance,
9 executive order, letter of instruction, administrative order, rule, or regulation contrary to or
10 inconsistent with the provisions of this Act is hereby repealed, modified, or amended
11 accordingly.

12 SECTION 14. *Effectivity Clause.* – This Act shall take effect fifteen (15) days after its
13 publication in at least two (2) newspapers of general circulation.

Approved,