

Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City

NINETEENTH CONGRESS
Second Regular Session

House Bill No. 97



Introduced by **Hon. Robert Ace S. Barbers**

AN ACT ESTABLISHING THE PHILIPPINE PUBLIC PAYMENT SYSTEM

EXPLANATORY NOTE

This bill seeks to establish a Philippine Public Payment System that enables government authorities and institutions to transfer money, such as tax refunds, government subsidies, social ameliorations, pensions or the likes, directly to a citizen's bank account.

The Philippine government is gradually adapting to the changing demands of the digital information age. Bangko Sentral ng Pilipinas (BSP), for instance, recently allowed government institutions to collect payments and remittances through electronic financial services. However, collections are currently the only transaction that is digitized. For the government to truly achieve digital transformation, it must also digitize the way government institutions and authorities make payments to the citizens.

In an effort to further streamline payment and settlement processes, the government will implement a system in which all payments made by its institutions and authorities will be deposited directly into a citizen's bank account.

This payment system will reduce the number of physical cash transactions, thereby bringing faster and more efficient service to the public. Distribution of government subsidies and ameliorations will be much easier. This will likewise reduce bureaucracy that could minimize corruption.

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

HON. ROBERT ACE S. BARBERS
2nd District, Surigao del Norte

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

SECTION 1. Short Title. – This Act shall be known as the “Philippine Public Payment Act”

SEC. 2. Declaration of Policy. – The State recognizes the vital role of information and communication technology in nation-building. The State also recognizes the need of ease of doing business and efficient delivery of goods and services to the general public. Toward this end, the State shall achieve digital transformation by digitizing the way government institutions and authorities make payments to the citizens.

SEC. 3. Objectives. – This Act aims to promote ease of doing business and seamless service delivery to reduce bureaucracy and minimize corruption, as well as to strengthen financial inclusion of citizens.

SEC. 4. OneAccount. – All citizens of the Philippines who are eighteen (18) years old and above and have a PhilSys Number (PSN) shall have a government bank account called OneAccount.

OneAccount is the citizen's bank account where all payments to him/her from the government institutions and authorities shall be directly deposited.

Once a citizen has been issued a PhilSys Number, a OneAccount shall be automatically created for him/her by the government for purposes of this Act.

Only one OneAccount shall be created for each person. If one has an existing bank account in a government bank, he can designate the same as his OneAccount.

SEC. 5. Public Payment. – All payments made by the government institutions and authorities, such as but not limited to tax refunds, pensions, government subsidies, social ameliorations, shall be directly deposited into a citizen's bank account called OneAccount.

SEC. 6. Fees and Charges. – Subject to existing banking rules and regulations, opening an account and maintaining the same in government bank for purposes of this Act is free of charge. All other fees and charges are likewise waived.

SEC. 7. Applicability of Bank Secrecy Law. – The Bank Secrecy Law covers OneAccount.

SEC. 8. Bangko Sentral ng Pilipinas (BSP). – The Bangko Sentral ng Pilipinas (BSP) shall be the primary implementing agency to carry out the provision of this Act. The BSP shall collaborate with Department of Information and Communications Technology (DICT) for technical assistance.

SEC. 9. Penalties. – Any violation of this law will subject the offender upon conviction, to an imprisonment of not more than five years or a fine not more than One Million Pesos (P1,000,000.00) or both, in the discretion of the court.

SEC. 10. Funding. – The amount necessary to implement the provisions of this Act shall be included in the General Appropriations Act.

SEC. 11. Implementing Rules and Regulations. – Within sixty (60) days from the effectivity of this Act, the BSP and DICT shall promulgate rules and regulations to effectively implement this Act.

SEC. 12. Repealing Clause. – All laws, orders, issuances, circulars, rules and regulations or parts thereof, which are inconsistent with the provisions of this Act are hereby repealed, modified, or amended accordingly.

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

Approved.