

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

TWENTIETH CONGRESS
First Regular Session

HOUSE BILL NO. 5701



Introduced by Representative LEILA M. DE LIMA

AN ACT
AMENDING SECTION 15 (8) OF REPUBLIC ACT NO. 6770, OTHERWISE
KNOWN AS “THE OMBUDSMAN ACT OF 1989”, AND SECTION 2 OF
REPUBLIC ACT NO. 1405, OTHERWISE KNOWN AS “THE LAW ON SECRECY
OF BANK DEPOSITS”, AS AMENDED, TO EXPRESSLY GRANT THE OFFICE
OF THE OMBUDSMAN THE POWER TO EXAMINE AND ACCESS BANK
ACCOUNTS AND RECORDS DURING AN INVESTIGATION

EXPLANATORY NOTE

The recent flood control projects controversy – the biggest corruption scandal in Philippine history, as some quarters put it – has exposed many gaps and vulnerabilities in our legal system and governance structure, weak points that have been abused by unscrupulous government officials and employees, as well as their private sector cohorts.¹ These criminal conspiracies are behind the plunder and misuse of billions of pesos in taxpayers’ money that resulted from “ghost” projects, sub-standard constructions, and rigged procurement processes.²

In the wake of massive protests on the streets and in social media, different government institutions or bodies have launched their separate versions of investigation, including those being conducted by the Senate Blue Ribbon Committee, Office of the Ombudsman, Commission on Audit (COA), Commission on Elections (COMELEC), Department of Public Works and Highways (DPWH), and the Independent Commission for Infrastructure (ICI) created under Executive Order No. 94. The newly appointed Ombudsman has also committed to prioritize the investigation and prosecution of those involved³. Available information reveal that the bulk of flood control funds never translated into drainage systems, dams, dikes, and

¹ David, D. (15 September 2025). “Flood control scam ‘biggest corruption scandal in history’- Carpio”. Retrieved from: <https://www.abs-cbn.com/news/nation/2025/9/19/flood-control-scam-biggest-corruption-scandal-in-history-carpio-1541>

² Chi, C. (15 October 2025). “9 in 10 Filipinos believe officials colluded on flood control theft”. Retrieved from: <https://www.philstar.com/headlines/2025/10/15/2480068/9-10-filipinos-believe-officials-colluded-flood-control-theft>

³ Mateo, J. (17 October 2025). “Flood mess convictions seen in less than a year”, Retrieved from: <https://www.philstar.com/headlines/2025/10/17/2480491/flood-mess-convictions-seen-less-year>

protective structures for our communities. Instead, the money flowed into the hands of a handful of politicians, middlemen, government engineers, and private contractors.

Some observers claim that these unchecked flows of dirty money -- including possible patterns of money laundering -- are made possible by the lack of sufficient enforcement and regulatory mechanisms to detect and report suspicious transactions in our banks. For one, the Office of the Ombudsman -- the primary authority in the fight against corruption -- has to go through the court if it wants to access and examine bank accounts and records. Interpreting Section 15 (8) of Republic Act (RA) No. 6770, or "The Ombudsman Act of 1989," the Supreme Court had declared in *Marquez v. Desierto* that, without a case in court, the Office of the Ombudsman cannot examine and access bank accounts and records that are subject of its investigation.⁴ This ruling has been highly criticized as it has practically rendered useless the power of the Ombudsman to issue *subpoena* with respect to bank records and accounts.

To clarify this matter and to supplant *Marquez*, there is a need to amend Section 15 (8) of RA 6770 and Section 2 of RA 1405, otherwise known as "The Law on Secrecy of Bank Deposits", to expressly grant the Office of the Ombudsman the authority to examine and access bank accounts and records, without the necessity of going to court. This will not only strengthen the *subpoena* power of the Office of the Ombudsman, aiding it in its investigation of allegations of anomalies and irregularities in the government. This will also help in deterring corrupt officials and their accomplices in taking advantage of legal loopholes in our banking system.

Given the foregoing important reasons, the expeditious approval of this measure is earnestly sought.



LEILA M. DE LIMA

⁴ G.R. No. 135882, June 27, 2001.

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

1 SECTION 1. Section 15 (8) of Republic Act No. 6770 is hereby amended to
2 read, as follows:

3
4 “Section 15. *Powers, Functions and Duties.* – The Office of the
5 Ombudsman shall have the following powers, functions and duties:

6
7 xxx

8
9 (8) Administer oaths, issue subpoena and subpoena duces tecum, and
10 take testimony in any investigation or inquiry, including the power to examine
11 and have access to bank accounts and records THAT ARE THE SUBJECT OF
12 ITS INQUIRY OR INVESTIGATION WITHOUT NEED OF A CASE IN COURT
13 OR A COURT ORDER;”

14 SEC. 2. Section 2 of Republic Act No. 1405 is hereby amended to read, as
15 follows:

16
17 “Section 2. All deposits of whatever nature with banks or banking
18 institutions in the Philippines including investments in bonds issued by the
19 Government of the Philippines, its political subdivisions and its
20 instrumentalities, are hereby considered as of an absolutely confidential nature
21 and may not be examined, inquired or looked into by any person, government

1 official, bureau or office, except upon written permission of the depositor, or in
2 cases of impeachment, or upon order of a competent court in cases of bribery
3 or dereliction of duty of public officials, or in cases where the money deposited
4 or invested is the subject matter of the litigation, OR WHEN THE BANK
5 ACCOUNT OR RECORD IS SUBJECT TO EXAMINATION AND ACCESS IN
6 AN INVESTIGATION OR INQUIRY BY THE OFFICE OF THE OMBUDSMAN.”
7

8 SEC. 3. Repealing Clause. – Any law, presidential decree or issuance,
9 executive order, letter of instruction, rule or regulation inconsistent with the provisions
10 of this Act is hereby repealed or modified accordingly.
11

12 SEC. 4. Effectivity. – This Act shall take effect fifteen (15) days following its
13 publication in the Official Gazette or in two (2) newspapers of general circulation in the
14 Philippines

Approved,