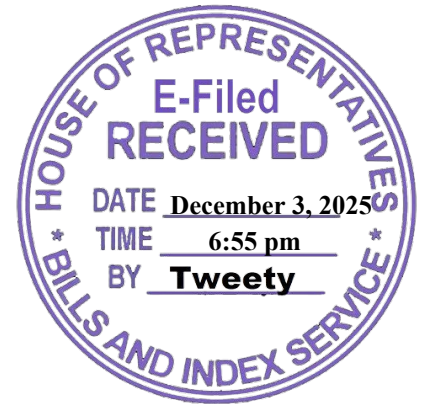


Republic of the Philippines
HOUSE OF REPRESENTATIVES
Batasan Hills, Quezon City
Twentieth Congress
First Regular Session



House Bill No. 6619

Introduced by Honorable Representatives
JOSE MANUEL TADEO “CHEL” I. DIOKNO (Akbayan Partylist)
PERCIVAL V. CENDAÑA (Akbayan Partylist)
DADAH KIRAM ISMULA (Akbayan Partylist)
KAKA BAG-AO (Dinagat Islands)

AN ACT
AMENDING PROVISIONS OF REPUBLIC ACT NO. 1379 OR “AN
ACT DECLARING FORFEITURE IN FAVOR OF THE STATE ANY
PROPERTY FOUND TO HAVE BEEN UNLAWFULLY ACQUIRED
BY ANY PUBLIC OFFICER OR EMPLOYEE AND PROVIDING
FOR THE PROCEEDINGS THEREFOR” AND FOR OTHER
PURPOSES

EXPLANATORY NOTE

Article XI, Section 1 of the 1987 Philippine Constitution states that a public office is a public trust. Under this provision, public officers must be accountable to the people and serve with utmost responsibility and integrity. This provision requires public officials to lead modest lives, free of corruption and ill-gotten wealth.

To this end, the State has enacted several laws to ensure that our public officers are held to account for the accumulation of ill-gotten wealth. These include the Anti-Graft and Corrupt Practices Act (Republic Act No. 3019) and the Anti-Plunder Law (Republic Act No. 7080).

These laws, however, govern offenses committed by public officers. For the recovery or forfeiture of ill-gotten wealth, Republic Act No. 1379¹ provides the legal framework and procedure. Forfeiture is unique since it is civil in character and is a proceeding *in rem* directed against the property of the public official.²

Unfortunately, our current civil forfeiture system remains rigid in its application. Pursuant to Republic Act No. 1379 and Republic Act No. 3019, civil forfeiture can only be initiated by the State. Private individuals may only initiate complaints, but are subject to determination of viability by the State.

This is unlike other jurisdictions, such as the United States of America, which has enacted the False Claims Act³ into law. The False Claims Act empowers individuals to sue for recovery of property acquired fraudulently from the government. Private citizens can sue public officials for recovery of ill-gotten property that rightfully belongs to the people.⁴ Further, the False Claims Act allows for *qui tam* proceedings. In a *qui tam* proceeding, the private citizen who reports the ill-gotten wealth is entitled to a commensurate compensation.

Finally, the antiquated civil forfeiture law is ripe for amendments and updating to our current justice system. The *prima facie* presumption under Section 2 must be updated to reflect current practices in concealment of ill-gotten wealth. The current law does not address its circumvention by transferring ownership to corporations or other entities where the public officer has a beneficial interest.

Recent jurisprudence⁵ has held that registration of property under another person's name does not prevent forfeiture. This applies when true ownership can be traced to the public officer. To that end, the *prima facie* presumption should also extend to property beyond the persons enumerated in Section 1.

¹ Republic Act No. 1379, An Act Declaring Forfeiture in Favor of the State Any Property Found to Have Been Unlawfully Acquired by Any Public Officer or Employee and Providing for the Proceedings Therefor (Phil.).

² *Republic of the Philippines v. Nieto A. Racho*, G.R. No. 231648 (Phil.), Jan. 16, 2023, available at <https://elibrary.judiciary.gov.ph/thebookshelf/showdocs/1/68732>.

³ U.S. Dep't of Justice, The False Claims Act, <https://www.justice.gov/civil/false-claims-act> (updated Jan. 15, 2025).

⁴ *Id.*

⁵ *Heirs of Lieutenant General Jacinto C. Ligot [v.] Republic of the Philippines*, G.R. No. 257827 (Mar. 5, 2025).

This must also be extended to corporations, sole proprietorships, joint ventures, or other arrangements clearly attributable to the public officer.

Finally, the law must reflect the current designation of the Office of the Ombudsman as the primary government body that oversees forfeiture. The Ombudsman Act empowers immediate action on investigation of public officials through formal or informal complaints by private citizens.⁶ Thus, as with initiating forfeiture claims, ordinary Filipinos should be empowered to participate in ensuring transparency and accountability from public officers.

Hence this bill, which seeks to:


- Enable private individuals, civil society organizations, or corporations, among others, to fully initiate and participate in civil forfeiture proceedings at the Regional Trial Court;
- Compensate the private individual, civil society organization, or corporation with a reward of ten percent (10%) of the total amount recovered;
- Allocate the remainder of the amount recovered for education, health, socialized housing, and social security;
- Extend the application of the *prima facie* presumption to all ownership showing beneficial interest, through corporations and other arrangements;
- Empower the Department of Justice or the Ombudsman to grant immunity from prosecution to any potential whistleblower in the forfeiture case; and
- Update key provisions of the law, by centralizing the function of prosecuting forfeiture cases to the Ombudsman.

The unique remedy of civil forfeiture has the potential to expedite accountability from errant and corrupt public officers. In refining this legislation, we aim to strengthen the mandated trust between our public officials and the Filipino people.

⁶ Republic Act No. 6770, An Act Providing for the Functional and Structural Organization of the Office of the Ombudsman and for Other Purposes (Phil.), Nov. 17, 1989, available at https://www.ombudsman.gov.ph/docs/republicacts/Republic_Act_No_6770.pdf



JOSE MANUEL TADEO
“CHEL” I. DIOKNO
Akbayan Representative



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

1 **Sec. 1.** Section 1(b) of Republic Act No. 1379 is hereby amended to read as
2 follows:

3 “(b) “Other legitimately acquired property” means any real or personal
4 property, money or securities which the respondent has at any time acquired by
5 inheritance and the income thereof, or by gift *inter vivos* before his becoming a
6 public officer or employee, or any property (or income thereof) already
7 pertaining to him when he qualified for public office or employment, or the fruits
8 and income of the exclusive property of the respondent's spouse. It shall not
9 include:

1 ...

2 (4) ANY BENEFICIAL INTEREST UNLAWFULLY
3 ACQUIRED BY THE RESPONDENT, WHETHER OR NOT
4 IN THEIR OWNERSHIP OR POSSESSION.”

5 **Sec. 2.** Section 2 of Republic Act No. 1379 is hereby amended to read as follows:

6 Section 2. *Filing of petition.* Whenever any public officer or
7 employee has acquired during his incumbency an amount of
8 property, which is manifestly out of proportion to his salary as
9 such public officer or employee and to his other lawful income and
10 the income from legitimately acquired property, said property
11 shall be presumed *prima facie* to have been unlawfully acquired.
12 THIS INCLUDES PROPERTY OWNED BY A
13 PARTNERSHIP, CORPORATION, ENTITY, JOINT
14 VENTURE, OR ANY FINANCIAL OR TRANSACTIONAL
15 ARRANGEMENT IN WHICH THE PUBLIC OFFICER OR
16 EMPLOYEE OWNS SHARES OF STOCK OR ANY
17 BENEFICIAL INTEREST. ANY PERSON, INCLUDING
18 ANY PUBLIC OFFICIAL, PRIVATE CITIZEN, CIVIL
19 SOCIETY ORGANIZATION, PARTNERSHIP,
20 CORPORATION, OR OTHER ENTITY MAY FILE A
21 VERIFIED PETITION OR COMPLAINT ON BEHALF OF
22 THE REPUBLIC OF THE PHILIPPINES FOR A WRIT
23 COMMANDING SAID OFFICER OR EMPLOYEE TO SHOW
24 CAUSE WHY THE PROPERTY AFORESAID, OR ANY
25 PART THEREOF, SHOULD NOT BE DECLARED
26 PROPERTY OF THE STATE.

1 THE COMPLAINT OR PETITION MAY BE FILED IN THE
2 REGIONAL TRIAL COURT OF THE CITY OR PROVINCE
3 WHERE THE PETITIONER OR ANY OF THE
4 PETITIONERS RESIDES OR HOLDS OFFICE, OR WHERE
5 THE DEFENDANT OR ANY OF THE PRINCIPAL
6 DEFENDANTS RESIDES OR HOLDS OFFICE, OR IN THE
7 CASE OF A NON-RESIDENT DEFENDANT, WHERE HE
8 OR SHE MAY BE FOUND, AT THE ELECTION OF THE
9 PETITIONER.

10 ~~[THE SOLICITOR GENERAL, UPON COMPLAINT BY ANY~~
11 ~~TAXPAYER TO THE CITY OR PROVINCIAL FISCAL WHO~~
12 ~~SHALL CONDUCT A PREVIOUS INQUIRY SIMILAR TO~~
13 ~~PRELIMINARY INVESTIGATIONS IN CRIMINAL CASES~~
14 ~~AND SHALL CERTIFY TO THE SOLICITOR GENERAL~~
15 ~~THAT THERE IS REASONABLE GROUND TO BELIEVE~~
16 ~~THAT THERE HAS BEEN COMMITTED A VIOLATION OF~~
17 ~~THIS ACT AND THE RESPONDENT IS PROBABLY~~
18 ~~GUILTY THEREOF, SHALL FILE, IN THE NAME AND ON~~
19 ~~BEHALF OF THE REPUBLIC OF THE PHILIPPINES, IN~~
20 ~~THE COURT OF FIRST INSTANCE OF THE CITY OR~~
21 ~~PROVINCE WHERE SAID PUBLIC OFFICER OR~~
22 ~~EMPLOYEE RESIDES OR HOLDS OFFICE, A PETITION~~
23 ~~FOR A WRIT COMMANDING SAID OFFICER OR~~
24 ~~EMPLOYEE TO SHOW CAUSE WHY THE PROPERTY~~
25 ~~AFORESAID, OR ANY PART THEREOF, SHOULD NOT BE~~
26 ~~DECLARED PROPERTY OF THE STATE: PROVIDED,~~
27 *That n]*

1 No such petition shall be filed within one year before any general
2 election or within three months before any special election.

3 The resignation, dismissal or separation of the officer or employee
4 from his office or employment in the government or in the
5 government-owned or controlled corporation shall not be a bar to
6 the filing of the petition. [~~PROVIDED, HOWEVER, THAT~~] The
7 right to file such petition shall **NOT** prescribe. [~~AFTER FOUR~~
8 ~~YEARS FROM THE DATE OF THE RESIGNATION,~~
9 ~~DISMISSAL OR SEPARATION OR EXPIRATION OF THE~~
10 ~~TERM OF THE OFFICER OR EMPLOYEE CONCERNED,~~
11 ~~EXCEPT AS TO THOSE WHO HAVE CEASED TO HOLD~~
12 ~~OFFICE WITHIN TEN YEARS PRIOR TO THE APPROVAL OF~~
13 ~~THIS ACT, IN WHICH CASE THE PROCEEDINGS SHALL~~
14 ~~PRESCRIBE AFTER FOUR YEARS FROM THE APPROVAL~~
15 ~~HEREOF].~~

16
17 **Sec. 3.** Section 3 of Republic Act No. 1379 is hereby amended to read as follows:

18 Section 3. *The petition.* — The petition shall contain the following
19 information:

20

21 (D) A DESCRIPTION OF SAID PROPERTY, OR SUCH THEREOF
22 AS HAS BEEN IDENTIFIED BY THE [~~SOLICITOR GENERAL~~]
23 **PETITIONER.**

24
25 **Sec. 4.** Section 4 of Republic Act No. 1379 is hereby amended to read as
26 follows:

1 Section 4. Period for the answer. — The respondent shall have a
2 period of fifteen (15) days within which to present his answer
3 **UPON RECEIPT OF THE VERIFIED PETITION UNDER**
4 **SECTION 2 OF THIS ACT.**

5
6 **Sec. 5.** Section 6 of Republic Act No. 1379 is hereby amended to read as follows:

7 Section 6. *Judgment.* — If the respondent is unable to show to the
8 satisfaction of the court that he has lawfully acquired the property
9 in question, then the court shall declare such property, forfeited in
10 favor of the State, and by virtue of such judgment the property
11 aforesaid shall become property of the State: *Provided,* That no
12 judgment shall be rendered within six months before any general
13 election or within three months before any special election. The
14 Court may, in addition, refer this case to the corresponding
15 Executive Department for administrative or criminal action, or
16 both.

17 **THE FORFEITED PROPERTIES WILL BE HELD IN TRUST**
18 **BY THE OMBUDSMAN UNTIL THEY ARE FULLY**
19 **LIQUIDATED. UPON LIQUIDATION, TEN PERCENT (10%)**
20 **OF THE PROCEEDS SHALL BE AWARDED TO THE**
21 **PRIVATE CITIZEN, CIVIL SOCIETY ORGANIZATION,**
22 **PARTNERSHIP, CORPORATION, OR OTHER ENTITY**
23 **THAT FILED THE PETITION UNDER SECTION 2 OF THIS**
24 **ACT, IN ADDITION TO ANY DAMAGES, ATTORNEY'S**
25 **FEES, COSTS OF LITIGATION, OR OTHER AMOUNTS**
26 **THAT MAY BE AWARDED TO THE PETITIONER. FIFTY**
27 **PERCENT (50%) OF THE REMAINDER SHALL BE**
28 **ALLOCATED FOR BUILDING CLASSROOMS UNDER THE**

1 DEPARTMENT OF EDUCATION AND INCREASING THE
2 BENEFITS OF THE NATIONAL HEALTH INSURANCE
3 PROGRAM AND THE PROGRAMS OF THE SOCIAL
4 SECURITY SYSTEM AND THE GOVERNMENT SERVICE
5 INSURANCE SYSTEM, WHILE THE REMAINING FIFTY
6 PERCENT (50%) SHALL BE ALLOCATED TO THE
7 SOCIALIZED HOUSING PROGRAM AND OTHER
8 WELFARE PROGRAMS OF THE LOCAL GOVERNMENT
9 UNIT (LGU) WHERE THE REGIONAL TRIAL COURT
10 ISSUED THE JUDGMENT.

11
12 A JUDGMENT OF FORFEITURE RENDERED UNDER THIS
13 ACT SHALL BE IMMEDIATELY EXECUTORY UNLESS THE
14 APPELLATE COURT ISSUES A TEMPORARY
15 RESTRAINING ORDER OR WRIT OF PRELIMINARY
16 INJUNCTION. THE TRIAL COURT SHALL ISSUE A WRIT
17 OF EXECUTION *MOTU PROPRIO* WITHIN FIVE (5) DAYS
18 FROM THE PROMULGATION OF JUDGMENT. THE
19 SHERIFF SHALL IMPLEMENT THE WRIT WITHIN
20 FIFTEEN (15) DAYS FROM RECEIPT. THE SUPREME
21 COURT WILL ISSUE THE CORRESPONDING RULES FOR
22 THE PRIORITIZATION AND EXPEDITIOUS EXECUTION
23 OF FORFEITURE PROCEEDINGS.

24
25 THE REGISTER OF DEEDS, LAND TRANSPORTATION
26 OFFICE, SECURITIES AND EXCHANGE COMMISSION,
27 AND ALL OTHER APPLICABLE GOVERNMENT
28 REGISTRIES SHALL IMMEDIATELY ANNOTATE THE
29 FORFEITURE AND EFFECT THE TRANSFER OF TITLE OR

1 REGISTRATION TO THE REPUBLIC OF THE
2 PHILIPPINES UPON RECEIPT OF THE WRIT OF
3 EXECUTION. NO PROPERTY THAT IS THE SUBJECT OF A
4 PETITION UNDER SECTION 2 OF THIS ACT MAY BE
5 SOLD, DONATED, MORTGAGED, ALIENATED, OR
6 OTHERWISE TRANSFERRED DURING THE PENDENCY
7 OF THE PETITION.
8

9 **Sec. 7.** Section 9 of Republic Act No. 1379 is hereby amended to read as follows:

10 Section 9. *Immunity.* — The [~~SOLICITOR GENERAL~~] OFFICE
11 OF THE OMBUDSMAN OR THE DEPARTMENT OF
12 JUSTICE, THROUGH THE NATIONAL PROSECUTORIAL
13 SERVICE, may grant immunity from criminal prosecution to any
14 person who testifies to the unlawful manner in which the
15 respondent has acquired any of the property in question in cases
16 where such testimony is necessary to prove violations of this Act.
17

18 **Sec.8. Separability Clause.** - If any provision or part of this Act is declared
19 invalid or unconstitutional, the remaining parts or provisions not affected
20 thereby will remain in full force and effect.

21 **Sec. 9. Repealing Clause.** - All laws, decrees, orders, rules, regulations, and
22 other issuances or parts thereof which are inconsistent with this Act are hereby
23 repealed or amended accordingly.

24 **Sec. 10. Effectivity.** - This Act takes effect fifteen (15) days after its publication
25 in the Official Gazette or in a newspaper of general circulation.

26 *Approved,*