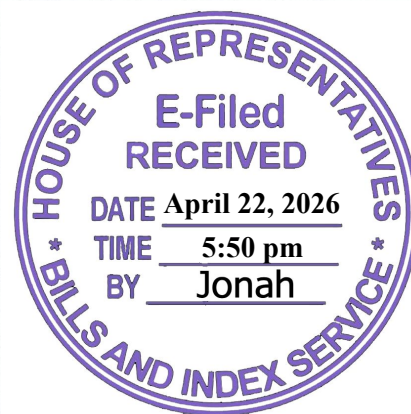


Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City, Metro Manila

TWENTIETH CONGRESS
First Regular Session

House Bill No. **8944**



**INTRODUCED BY REPRESENTATIVES RALPH WENDEL P. TULFO
AND JOCELYN P. TULFO**

AN ACT

**MANDATING GOVERNMENT OFFICIALS AND EMPLOYEES TO EXECUTE
AND SUBMIT A WRITTEN PERMISSION TO EXAMINE, INQUIRE OR LOOK
INTO ALL THEIR DEPOSITS AND INVESTMENTS THEREBY WAIVING THE
BANK SECRECY LAW AS PROVIDED FOR UNDER REPUBLIC ACT NUMBERS
1405 AND 6426**

EXPLANATORY NOTE

Republic Act No. 1405, otherwise known as the "Law on Secrecy of Bank Deposits," as amended, declares as absolutely confidential all deposits of any nature with banks or banking institutions, including investments in bonds, its political subdivisions and its instrumentalities, and may not be examined, inquired, or looked into by any person, government official, bureau or office, except when the examination is an authorized special or general examination of a bank on a reasonable ground to establish a bank fraud or serious irregularity, an independent examination for audit purposes to be used exclusively by the bank, or upon written permission by the depositor, or in cases of impeachment, bribery or dereliction of duty of public officials, or litigation involving the bank.

Without the depositor's consent, the disclosure of information on bank deposits is prohibited under the law. This includes access on the bank accounts of those in

government service of which authority can be denied, possibly in favor of illicit funds and hidden wealth. Pursuant to the 1987 Constitution, public office is a public trust. Public officers and employees must, at all times, be accountable to the people, serve them with utmost responsibility, integrity, loyalty, and efficiency; act with patriotism and justice, and lead modest lives.

This bill aims to strengthen transparency and combat corruption in the government by mandating all public officials and employees to submit a written permission or waiver, exclusively to be obtained or used by the Office of the Ombudsman, to examine, inquire and look into all their deposits, including foreign currency deposits, in banks and other financial institutions, both in and outside the Philippines, including investment bonds issued by the government of the Philippines, its political subdivisions and instrumentalities. Failure or refusal to submit such written permission or waiver will disallow the public official or employee to enter upon or continue exercising the function of his or her office.

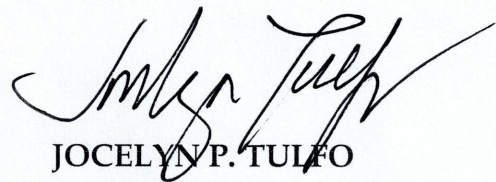
In view of the foregoing, the urgent passing of this bill is earnestly sought.



RALPH WENDEL P. TULFO

Representative

2nd District of Quezon City



JOCELYN P. TULFO

Representative

ACT-CIS Partylist

Republic of the Philippines
HOUSE OF REPRESENTATIVES
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*Be it enacted by the Senate and House of Representatives of the Philippines, in Congress
assembled:*

1 **SECTION 1.** *Declaration of Policy.* – It is hereby declared the policy of the State
2 for all public officials and employees to be open and transparent in all their financial
3 transactions and dealings.

4
5 **SEC. 2.** *Submission of Written Permission or Waiver.* – All public officials and
6 employees as defined under paragraph (b) in relation to paragraph (a), Section 3 of
7 Republic Act No. 6713, except those who serve in an honorary capacity, shall submit
8 to the Office of the Ombudsman a written permission or waiver in favor of the
9 Ombudsman to examine, inquire, and look into all their deposits, including foreign
10 currency deposits, in banks and other financial institutions, both in and outside the

1 Philippines, including investment bonds issued by the government of the Philippines,
2 its political subdivisions and instrumentalities.

3
4 The aforestated written permission or waiver shall be submitted within thirty
5 (30) days from the date of their assumption of office; *Provided, however,* That public
6 officials and employees who are already exercising the functions of their respective
7 offices upon the effectivity of this Act shall submit the same not later than thirty (30)
8 days from the effectivity of the Rules and Regulations implementing this Act.

9
10 **SEC. 3.** *Failure or Refusal to Submit Written Permission or Waiver.* – Any public
11 official or employee who fails or refuses to submit such written permission or waiver
12 as mandated by this Act shall not be allowed to enter upon, or continue exercising the
13 functions of his or her office.

14
15 **SEC. 4.** *Limitation on Use.* – Only the Office of the Ombudsman shall obtain or
16 use the written permission or waiver, or any other information or data obtained by
17 virtue thereof; *Provided, however,* That the same shall be used exclusively for
18 investigating a duly verified complaint or for prosecuting a case before the courts;
19 *Provided, further,* That the written permission or waiver shall not be used for any other
20 purpose.

21
22 **SEC. 5.** *Implementing Rules and Regulations.* – Within sixty (60) days from the
23 effectivity of this Act, the Office of the Ombudsman, in consultation with the *Banko*
24 *Sentral ng Pilipinas*, shall issue the necessary rules and regulations for the effective
25 implementation thereof.

26
27 **SEC.6.** *Separability Clause.* If any provision or section of this Act is held to be
28 unconstitutional or invalid, the other provisions or sections hereof which are not
29 affected thereby shall continue to be in full force and effect.

1 **SEC.7. *Repealing Clause.*** All laws, presidential, executive orders, rules and
2 regulations or parts thereof which are inconsistent with the provisions of this Act, area
3 hereby repealed or modified accordingly.

4
5 **SEC.8. *Effectivity.*** This Act shall take effect fifteen (15) days following its
6 publication in the Official Gazette or in a newspaper of general circulation.

7
8 Approved,