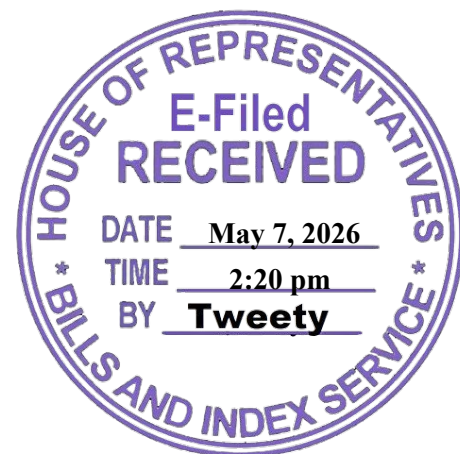




Republic of the Philippines  
HOUSE OF REPRESENTATIVES  
Quezon City

TWENTIETH (20<sup>TH</sup>) CONGRESS  
First Regular Session

HOUSE BILL NO. 9159



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Introduced by KAMANGGAGAWA Partylist  
Representative **ELIJAH R. SAN FERNANDO**

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### EXPLANATORY NOTE

The 1987 Constitution firmly declares that public office is a public trust. Article XI, Section 1 provides that 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. Complementing this mandate, Article II, Section 27 directs the State to maintain honesty and integrity in the public service and to take positive and effective measures against graft and corruption. These constitutional commands are clear: government authority must always be exercised in the open, and those entrusted with public power must remain answerable to the Filipino people.

Yet despite these principles, corruption continues to erode public institutions, weaken democratic trust, and divert resources meant for social services, infrastructure, healthcare, education, and decent livelihoods. Public funds that should uplift workers, farmers, students, and marginalized communities are too often lost through illicit enrichment, hidden assets, and abuse of office. When corruption is allowed to persist, it is ordinary Filipinos who bear the heaviest burden through poor services, lost opportunities, and deepening inequality.

One enduring obstacle to meaningful accountability is the misuse of financial secrecy laws as a shield against legitimate scrutiny. Republic Act No. 1405, otherwise known as the Secrecy of Bank Deposits Law, was enacted to encourage confidence in the banking system and protect lawful privacy. However, a law designed for financial

stability must never be distorted into a refuge for dishonesty in public office. Confidentiality in private banking transactions serves a valid purpose, but secrecy cannot be absolute where public accountability is at stake. Those who exercise the powers of the State must be held to a higher standard than private citizens because they manage authority and resources that belong to the people.

This measure, therefore, seeks to harmonize the legitimate interest in financial privacy with the superior constitutional demand for transparency and integrity in government. It provides carefully defined exceptions to bank confidentiality rules for elected and appointed public officials, allowing lawful examination of deposits, accounts, investments, and related financial records by competent authorities acting within their constitutional or statutory powers. It further strengthens existing accountability mechanisms by requiring the truthful disclosure of relevant financial interests and by authorizing verification consistent with law. In doing so, the bill supports lifestyle checks, anti-corruption investigations, asset recovery efforts, and the prosecution of offenses involving public funds and public office. These safeguards recognize a simple principle: those who honestly serve the public have nothing to fear from lawful accountability, while those who exploit public office should not be allowed to hide behind technical barriers and outdated protections.

A government that asks sacrifice from workers and taxpayers must itself be transparent. A nation that seeks inclusive development must ensure that public resources reach the people for whom they are intended. By closing avenues for concealment and strengthening mechanisms of accountability, this measure advances clean governance, protects the public treasury, and affirms that no office is above scrutiny. More importantly, it gives life to the constitutional promise that power is held in trust for the people and never for private gain.

In solidarity with the working class, the passage of this bill is earnestly sought.



**ELIJAH R. SAN FERNANDO**  
*Representative*  
KAMANGCAGAWA PARTYLIST



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**AN ACT**  
**PROVIDING EXCEPTIONS TO THE CONFIDENTIALITY OF BANK DEPOSITS**  
**FOR PUBLIC OFFICIALS, AMENDING FOR THE PURPOSE REPUBLIC ACT NO.**  
**1405, OTHERWISE KNOWN AS THE "SECRECY OF BANK DEPOSITS LAW,"**  
**REQUIRING THE DISCLOSURE AND VERIFICATION OF CERTAIN BANK**  
**DEPOSITS AND INVESTMENTS OF SUCH OFFICIALS, AND PRESCRIBING**  
**PENALTIES FOR VIOLATIONS THEREOF**

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

**SECTION 1.** *Amendment to the Bank Secrecy Law.* – Section 2 of Republic Act No. 1405, otherwise known as the "*Secrecy of Bank Deposits Law*," is hereby amended to read as follows:

"SEC. 2. All deposits of whatever nature with banks or banking institutions in the Philippines including investments in bonds issued by the Government of the Philippines, its political subdivisions and its instrumentalities, are hereby considered as of an absolutely confidential nature and may not be examined, inquired or looked into by any person, government official, bureau or office, except ~~upon written permission of the depositor, or in cases of impeachment, or upon order of a competent court in cases of bribery or dereliction of duty of public officials, or in cases where the money deposited or invested is the subject matter of the litigation.~~]:

**(A) UPON WRITTEN PERMISSION OF THE DEPOSITOR; OR**

**(B) IN CASES OF IMPEACHMENT; OR**

**(C) UPON ORDER OF A COMPETENT COURT IN CASES OF BRIBERY OR DERECTION OF DUTY OF PUBLIC OFFICIALS; OR**

**(D) IN CASES OF PLUNDER, GRAFT AND CORRUPTION, UNEXPLAINED WEALTH, FORFEITURE PROCEEDINGS, OR OTHER OFFENSES INVOLVING PUBLIC FUNDS OR PUBLIC OFFICE; OR**

**(E) IN CASES WHERE THE MONEY DEPOSITED OR INVESTED IS THE SUBJECT MATTER OF THE LITIGATION; OR**

**(F) WHEN THE DEPOSITOR HOLDS ANY ELECTIVE OR APPOINTIVE PUBLIC OFFICE IN THE GOVERNMENT OF THE PHILIPPINES BY VIRTUE OF ELECTION, APPOINTMENT, DESIGNATION, OR CONTRACT, IN ANY NATIONAL GOVERNMENT AGENCY, LOCAL GOVERNMENT UNIT, CONSTITUTIONAL COMMISSION, STATE UNIVERSITY OR COLLEGE, GOVERNMENT-OWNED OR CONTROLLED CORPORATION, GOVERNMENT FINANCIAL INSTITUTION, OR ANY OTHER INSTRUMENTALITY OR AGENCY OF THE GOVERNMENT, WHETHER PERMANENT, TEMPORARY, CAREER, NON-CAREER, COTERMINOUS, CONTRACTUAL, CASUAL, ELECTIVE, APPOINTIVE, CIVILIAN, OR UNIFORMED, INCLUDING MEMBERS OF THE ARMED FORCES OF THE PHILIPPINES, THE PHILIPPINE NATIONAL POLICE, THE BUREAU OF FIRE PROTECTION, THE BUREAU OF JAIL MANAGEMENT AND PENOLOGY, AND OTHER UNIFORMED SERVICES, WHETHER OR NOT RECEIVING COMPENSATION, REGARDLESS OF AMOUNT: *PROVIDED*, THAT THE DEPOSITS, INVESTMENTS, ACCOUNTS, RECORDS, AND RELATED BANKING INFORMATION OF SUCH PUBLIC OFFICIAL MAY BE LOOKED INTO, EXAMINED, INQUIRED INTO, OR OBTAINED UPON LAWFUL ORDER OF THE OFFICE OF THE OMBUDSMAN, THE ANTI-MONEY LAUNDERING COUNCIL, THE SANDIGANBAYAN, OR A COMPETENT COURT, IN THE EXERCISE OF THEIR CONSTITUTIONAL OR STATUTORY FUNCTIONS RELATING TO CORRUPTION INVESTIGATIONS, LIFESTYLE CHECKS, VERIFICATION OF STATEMENTS OF ASSETS, LIABILITIES AND NET WORTH, ASSET RECOVERY, CIVIL FORFEITURE, MONEY LAUNDERING INVESTIGATIONS, OR PROSECUTION OF OFFENSES: *PROVIDED*, FURTHER, THAT THIS EXCEPTION SHALL INCLUDE FOREIGN CURRENCY DEPOSITS, TRUST ACCOUNTS, DEPOSIT SUBSTITUTES, AND OTHER ANALOGOUS FINANCIAL INSTRUMENTS MAINTAINED WITH PHILIPPINE BANKS,**

## **OFF-SHORE BANKS OPERATING IN THE PHILIPPINES, OR OTHER BANKS OR FINANCIAL INSTITUTIONS OPERATING IN THE PHILIPPINES.”**

**SECTION 2.** *Disclosure of Financial Interests of Public Officials.* – All public officials covered by this Act shall disclose in their Statements of Assets, Liabilities and Net Worth, or in such other reportorial instruments as may be required by law, the existence of their bank deposits, investments, joint accounts, foreign currency deposits, trust accounts, and deposit substitutes, in the manner prescribed by applicable law and regulations. The Office of the Ombudsman and the Anti-Money Laundering Council shall have authority to verify such disclosures in accordance with law.

**SECTION 3.** *Penalties.* – Any public official who willfully conceals, misdeclares, omits, or fails to disclose any bank deposit, investment, account, or other financial interest required to be reported under this Act, or who knowingly causes the same to be held, transferred, or recorded in the name of another person or entity for the purpose of evading disclosure, shall be subject to dismissal or removal from service, perpetual disqualification from holding public office, and criminal, civil, and administrative liability under existing anti-graft, forfeiture, anti-money laundering, tax, and other applicable laws.

**SECTION 4.** *Implementing Rules and Regulations.* – Within sixty (60) days from the effectivity of this Act, the Bangko Sentral ng Pilipinas (BSP), the Office of the Ombudsman, and the Anti-Money Laundering Council (AMLC), in consultation with the Civil Service Commission (CSC), the Department of Justice (DOJ), and the Department of the Interior and Local Government (DILG) shall promulgate the rules and regulations necessary for the effective implementation of this Act.

**SECTION 5.** *Repealing Clause.* – All other laws, decrees, executive orders, implementing rules and regulations, issuances, or any part thereof inconsistent with the provisions of this Act are hereby repealed, amended, or modified accordingly.

**SECTION 6.** *Separability Clause.* – If any provision of this Act is declared unconstitutional, the remaining parts or provisions hereof not affected thereby shall remain in full force and effect.

**SECTION 7.** *Effectivity.* – This Act shall take effect fifteen (15) days after its publication, in English and Filipino, in the Official Gazette or in at least two (2) newspapers of general circulation.

*Approved,*