

Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City

TWENTIETH CONGRESS
Second Regular Session

HOUSE BILL NO. **10798**



Introduced by Representative JONATHAN KEITH T. FLORES

EXPLANATORY NOTE

The 1987 Constitution declares that “*public office is a public trust.*” It calls upon all public officials to serve with the highest standards of integrity, transparency, and accountability in managing government resources.

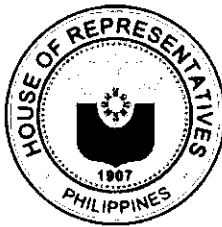
However, as revealed by recent public government inquiries and investigative reports by media organizations, there have been rampant instances of maneuvering in government contracts that have unduly benefited relatives of public officials. Such practices have no place in public service, as they erode public trust, compromise the quality of government services, and ultimately harm the welfare of the Filipino people.

Thus, this bill seeks to address this serious problem by prohibiting relatives of public officials within the fourth civil degree of consanguinity or affinity from entering into any government contract. It aims to prevent conflicts of interest and ensure that all procurement, partnership, and project arrangements are conducted free from undue influence or familial bias.

By disqualifying relatives of public officials from participating in government contracting, the measure strengthens ethical governance, promotes fair competition, and safeguards public funds from abuse and corruption.

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

JONATHAN KEITH T. FLORES
2nd District of Bukidnon



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HOUSE BILL NO. 10798

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AN ACT
DISQUALIFYING RELATIVES OF PUBLIC OFFICIALS WITHIN THE FOURTH
CIVIL DEGREE OF CONSANGUINITY OR AFFINITY IN ALL GOVERNMENT
CONTRACTS

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

SECTION 1. **Short Title.** - This Act shall be known as the "Anti-Nepotism in Government Contracts Act."

SEC. 2. **Declaration of Policy.** - It is hereby declared the policy of the State to uphold the highest standards of integrity, transparency, and accountability in government transactions. Toward this end, the State shall prohibit relatives of public officials within the fourth civil degree of consanguinity or affinity from participating in government contracts, and ensure that such contracts are free from conflicts of interest or undue influence arising from familial relations.

SEC. 3. **Disqualification on the Basis of Relations.** - Notwithstanding any provision of law to the contrary, all relatives of public officials within the fourth civil degree of consanguinity or affinity shall be barred from entering into any government contract.

For purposes of this Act, the term "public official" shall refer to heads of agency, heads of procuring entity, members of governing board, or any public officer or employee exercising policy-determining, supervisory, or managerial functions, whether in the career or non-career service, including military and uniformed personnel, whether or not they receive compensation, regardless of amount.

Moreover, the term "government contract" shall refer to any contract between a private entity and any government agency or instrumentality, including government owned or controlled corporations (GOCCs) and local government units, that pertains to (a) supplies, materials, machinery, equipment, and services; (b) infrastructure projects; (c) joint ventures; (d) public-private partnership projects; and (e) other similar or analogous agreements or undertaking to which the latter is the procuring party, partner, shareholder, implementing agency, end user, or a party contributing public funds or property: Provided, That, this shall exclude contracts that are highly technical, proprietary, or confidential in nature.

SEC. 4. **Penalties.** - Any public official found to have violated the provisions of this Act shall be liable to administrative penalties including dismissal, forfeiture of benefits, and perpetual disqualification from public office, without prejudice to prosecution under Republic Act No. 3019 (Anti-Graft and Corrupt Practices Act) and other applicable laws.

Any private individual, corporation, or entity that knowingly enters into a government contract in violation of this Act shall be subject to disqualification from bidding or participating in any government procurement, public-private partnership, or joint venture for a period of ten (10) years.

SEC. 5. ***Implementing Rules and Regulations (IRR)***. - Within sixty (60) days from the effectivity of this Act, the Government Procurement Policy Board, the Department of the Interior and Local Government, the Public-Private Partnership Center, and the Governance Commission for GOCCs, in consultation with government agencies concerned, shall jointly promulgate the rules and regulations to effectively implement the provisions of this Act.

SEC. 6. ***Transitory Provision***. – Contracts validly executed prior to the effectivity of this Act shall not be impaired, but renewals, extensions, or modifications thereof after effectivity shall be subject to the provisions of this Act.

SEC. 7. ***Repealing Clause***. - All laws, decrees, orders, rules and regulations, other issuances, and parts thereof, which are inconsistent with the provisions of this Act, are hereby repealed or modified accordingly.

SEC. 8. ***Effectivity***. - This Act shall take effect fifteen (15) days after its complete publication in the Official Gazette or in a newspaper of general circulation.

Approved,