HOUSE OF REPRESENTATIVES
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Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City

TWENTIETH CONGRESS
First Regular Session

COMMITTEE REPORT NO. 158

Submitted by the Committees on Banks and Financial Intermediaries and Appropriations, on March 11, 2026

Re : House Bill No. 8468

Recommending its approval in substitution of House Bills Numbered 2568, 3646, 4825, 5226, 5385, 5489, 6002, 6291, 6326, 6621, 7192, 7327, 7356, 7370, and 7672.

Sponsor : Representatives Irwin C. Tieng and Mikaela Angela B. Suansing

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Mr. Speaker:

The Committees on Banks and Financial Intermediaries and Appropriations, to which were referred House Bill No. 2568, introduced by Representatives Ralph Wendel P. Tulfo and Jocelyn P. Tulfo, entitled:

**"AN ACT
PROMOTING THE ADOPTION OF DIGITAL PAYMENTS FOR FINANCIAL TRANSACTIONS OF THE GOVERNMENT AND ALL MERCHANTS";**

House Bill No. 3646, introduced by Rep. Miguel Luis R. Villafuerte, entitled:

**"AN ACT
PROMOTING THE ADOPTION OF DIGITAL PAYMENTS FOR FINANCIAL TRANSACTIONS OF THE GOVERNMENT AND ALL MERCHANTS";**

House Bill No. 4825, introduced by Rep. Howard A. Guintu, entitled:

**"AN ACT
PROMOTING THE ADOPTION OF DIGITAL PAYMENTS FOR FINANCIAL TRANSACTIONS OF THE GOVERNMENT AND ALL MERCHANTS AND FOR OTHER PURPOSES";**

House Bill No. 5226, introduced by Rep. Agatha Paula Aguilar Cruz, entitled:

**"AN ACT
PROMOTING THE ADOPTION OF DIGITAL PAYMENTS FOR FINANCIAL TRANSACTIONS OF THE GOVERNMENT AND MERCHANTS, PROVIDING REGULATORY AND INSTITUTIONAL FRAMEWORKS, AND FOR OTHER PURPOSES";**

House Bill No. 5385, introduced by Rep. Kenneth T. Gatchalian, entitled:

**"AN ACT
PROMOTING THE ADOPTION OF DIGITAL PAYMENTS FOR FINANCIAL TRANSACTIONS OF THE GOVERNMENT AND ALL MERCHANTS AND FOR OTHER PURPOSES";**

House Bill No. 5489, introduced by Rep. Juan Carlos "Arjo" C. Atayde, entitled:

**"AN ACT
PROMOTING THE ADOPTION OF DIGITAL PAYMENTS FOR FINANCIAL TRANSACTIONS OF THE GOVERNMENT AND ALL MERCHANTS";**

House Bill No. 6002, introduced by Representatives Edvic G. Yap and Eric Go Yap, entitled:

**"AN ACT
PROMOTING THE ADOPTION OF DIGITAL PAYMENTS FOR FINANCIAL TRANSACTIONS OF THE GOVERNMENT AND ALL MERCHANTS, PROVIDING REGULATORY AND INSTITUTIONAL FRAMEWORK, AND FOR OTHER PURPOSES";**

House Bill No. 6291, introduced by Rep. Salvador A. Pleyto, entitled:

**"AN ACT
PROMOTING THE ADOPTION OF DIGITAL PAYMENTS FOR FINANCIAL TRANSACTIONS OF THE GOVERNMENT AND ALL MERCHANTS";**

House Bill No. 6326, introduced by Rep. James "Jojo" Ang, Jr., entitled:

**"AN ACT
PROMOTING THE ADOPTION OF DIGITAL PAYMENTS FOR FINANCIAL TRANSACTIONS OF THE GOVERNMENT AND ALL MERCHANTS";**

House Bill No. 6621, introduced by Rep. Jesus "Jess" R. Marquez, entitled:

**"AN ACT
PROMOTING THE ADOPTION OF DIGITAL PAYMENTS FOR FINANCIAL TRANSACTIONS OF THE GOVERNMENT AND ALL MERCHANTS";**

House Bill No. 7192, introduced by Rep. Franz S. Pumaren, entitled:

**"AN ACT
PROMOTING THE ADOPTION OF DIGITAL PAYMENTS FOR FINANCIAL TRANSACTIONS OF THE GOVERNMENT AND MERCHANTS, PROVIDING REGULATORY AND INSTITUTIONAL FRAMEWORK, AND FOR OTHER PURPOSES";**

House Bill No. 7327, introduced by Rep. Eric L. Olivarez, entitled:

**"AN ACT
PROMOTING THE ADOPTION OF DIGITAL PAYMENTS FOR FINANCIAL TRANSACTIONS OF THE GOVERNMENT AND ALL MERCHANTS";**

House Bill No. 7356, introduced by Rep. Brian Raymund S. Yamsuan, entitled:

"AN ACT
PROMOTING THE ADOPTION OF DIGITAL PAYMENTS FOR FINANCIAL TRANSACTIONS OF THE GOVERNMENT AND MERCHANTS, PROVIDING REGULATORY AND INSTITUTIONAL FRAMEWORKS, AND FOR OTHER PURPOSES";

House Bill No. 7370, introduced by Rep. Javier Miguel Lopez Benitez, entitled:

"AN ACT
PROMOTING THE ADOPTION OF DIGITAL PAYMENTS FOR FINANCIAL TRANSACTIONS OF THE GOVERNMENT AND ALL MERCHANTS"; and

House Bill No. 7672, introduced by Representatives Irwin C. Tieng, Bienvenido M. Abante, Jr., Joel R. Chua, Ernesto M. Dionisio, Jr., Giselle Mary L. Maceda, and Rolando M. Valeriano, entitled:

"AN ACT
ADOPTING AND REGULATING THE USE OF DIGITAL PAYMENT SYSTEMS FOR GOVERNMENT FINANCIAL TRANSACTIONS AND ALL MERCHANTS";

have considered the same and recommend that the attached House Bill No. **8468**, entitled:

"AN ACT
ADOPTING AND REGULATING THE USE OF DIGITAL PAYMENT SYSTEMS FOR GOVERNMENT FINANCIAL TRANSACTIONS AND ALL MERCHANTS";

be approved in substitution of House Bills Numbered 2568, 3646, 4825, 5226, 5385, 5489, 6002, 6291, 6326, 6621, 7192, 7327, 7356, 7370, and 7672 with Representatives Irwin C. Tieng, Bienvenido M. Abante, Jr., Joel R. Chua, Ernesto M. Dionisio, Jr., Giselle Mary L. Maceda, Rolando M. Valeriano, Mikaela Angela B. Suansing, Ralph Wendel P. Tulfo, Jocelyn P. Tulfo, Miguel Luis R. Villafuerte, Howard A. Guintu, Agatha Paula Aguilar Cruz, Kenneth T. Gatchalian, Juan Carlos "Arjo" C. Atayde, Edvic G. Yap, Eric Go Yap, Salvador A. Pleyto, James "Jojo" Ang, Jr., Jesus "Jess" R. Marquez, Franz S. Pumaren, Eric L. Olivarez, Brian Raymund S. Yamsuan, Javier Miguel Lopez Benitez, Ronaldo V. Puno, Ferdinand "B1" L. Beltran, Sonny "SL" L. Lagon, Joseph Kim C. Yu, Jeyzel Victoria C. Yu, Maria Kristina Jihan B. Glepa, Kristine Singson-Meehan, Eduardo R. Rama Jr., Patrick Michael D. Vargas, Reynante U. Arrogancia, Gerardo "Gerryboy" J. Espina, Jr., Shirlyn L. Bañas-Nograles, Linabelle Ruth R. Villarica, Jorge Daniel S. Bocobo, Henry "Indy" F. Oaminal, Jr., Maria Cristina C. Angeles, Adrian E. Salceda, Irene G. Labadlabad, Felimon M. Espares, Ryan S. Recto, Janette L. Garin, Julienne "Jam" L. Baronda, Marie Bernadette G. Escudero, Maria Carmen S. Zamora, Keith Micah "Atty Mike" D.L. Tan, Monique Yazmin Maria Q. Lagdameo, Romeo S. Momo, Sr., Joseph S. Tan, Dale B. Corvera, Charisse Anne C. Hernandez, John Tracy F. Cagas, Alexandria "Queenie" Gonzales, Johanne Monich G. Bautista, Brian Poe, Milagros Aquino-Magsaysay, Patricia C. Calderon, Nathaniel M. Oducado, Laarni Lavin Roque, Leonel "Jhong" D. Ceniza, De Carlo L. Uy, Gloria Macapagal-Arroyo, Sittie Aminah Q. Dimaporo, Arthur C. Yap, Jose Manuel Tadeo "Chel" I. Diokno, Audrey Kay T. Zubiri, Jude A. Acidre, and Eleandro Jesus F. Madrona as authors thereof.

Respectfully submitted,

MIKAELA ANGELA B. SUANSING
Chairperson
Committee on Appropriations

IRWIN C. TIENG
Chairperson
Committee on Banks and Financial Intermediaries

THE HONORABLE SPEAKER
HOUSE OF REPRESENTATIVES
QUEZON CITY

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

TWENTIETH CONGRESS
First Regular Session

HOUSE BILL NO. 8468

(In substitution of House Bills Numbered 2568, 3646,4825, 5226, 5385, 5489, 6002, 6291, 6326, 6621, 7192, 7327, 7356, 7370, and 7672)

Introduced by: Representatives Irwin C. Tieng, Bienvenido M. Abante, Jr., Joel R. Chua, Ernesto M. Dionisio, Jr., Giselle Mary L. Maceda, Rolando M. Valeriano, Mikaela Angela B. Suansing, Ralph Wendel P. Tulfo, Jocelyn P. Tulfo, Miguel Luis R. Villafuerte, Howard A. Guintu, Agatha Paula Aguilar Cruz, Kenneth T. Gatchalian, Juan Carlos “Arjo” C. Atayde, Edvic G. Yap, Eric Go Yap, Salvador A. Pleyto, James “Jojo” Ang, Jr., Jesus “Jess” R. Marquez, Franz S. Pumaren, Eric L. Olivarez, Brian Raymund S. Yamsuan, Javier Miguel Lopez Benitez, Ronaldo V. Puno, Ferdinand “B1” L. Beltran, Sonny “SL” L. Lagon, Joseph Kim C. Yu, Jeyzel Victoria C. Yu, Maria Kristina Jihan B. Glepa, Kristine Singson-Meehan, Eduardo R. Rama Jr., Patrick Michael D. Vargas, Reynante U. Arrogancia, Gerardo “Gerryboy” J. Espina, Jr., Shirlyn L. Bañas-Nograles, Linabelle Ruth R. Villarica, Jorge Daniel S. Bocobo, Henry “Ïndy” F. Oaminal, Jr., Maria Cristina C. Angeles, Adrian E. Salceda, Irene G. Labadlabad, Felimon M. Espares, Ryan S. Recto, Janette L. Garin, Julienne "Jam" L. Baronda, Marie Bernadette G. Escudero, Maria Carmen S. Zamora, Keith Micah "Atty Mike" D.L. Tan, Monique Yazmin Maria Q. Lagdameo, Romeo S. Momo, Sr., Joseph S. Tan, Dale B. Corvera, Charisse Anne C. Hernandez, John Tracy F. Cagas, Alexandria "Queenie" Gonzales, Johanne Monich G. Bautista, Brian Poe, Milagros Aquino-Magsaysay, Patricia C. Calderon, Nathaniel M. Oducado, Laarni Lavin Roque, Leonel "Jhong" D. Ceniza, De Carlo L. Uy, Gloria Macapagal-Arroyo, Sittie Aminah Q. Dimaporo, Arthur C. Yap, Jose Manuel Tadeo "Chel" I. Diokno, Audrey Kay T. Zubiri, Jude A. Acidre, and Eleandro Jesus F. Madrona, as authors thereof.

AN ACT
ADOPTING AND REGULATING THE USE OF DIGITAL PAYMENT SYSTEMS FOR GOVERNMENT FINANCIAL TRANSACTIONS AND ALL MERCHANTS

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 "eBayad Act."

SEC. 2. *Declaration of Policy.* – The State recognizes the vital role of information and communications technology in nation-building. The State also recognizes the need of promoting ease of doing business and efficient delivery of goods and services to the general public, and access to credit especially for entrepreneurs and other financial services to promote financial health of Filipinos. To this end, the State shall promote financial inclusion, optimize the use of technology and innovative payment systems for financial transactions, and promote the electronic conveyance of payment for various transactions with the government, to and among business entities and merchants, and among the general public. The State shall also promote sustainable payment options aligned with the global movement to reduce carbon footprint and curb global environmental concerns.

SEC. 3. *Objective.* – This Act aims to facilitate transactions, arrangements, or exchanges of goods and services by promoting the universal use of safe and efficient digital payments in financial transactions of the government and the general public.

SEC. 4. *Definition of Terms.* – As used in this Act:

(a) *Digital collection* refers to a mode of collection wherein businesses and citizens make payments to the government, including taxes, fees, and tolls, using a digital device such as mobile phone, point of sale, or computer. Collections can be made with bank transfers, electronic money, and payment cards including credit, debit, prepaid, or stored value cards, among others;

(b) *Digital disbursement* refers to a mode of payment whereby disbursement of money or equivalent electronic representations of legal tender, for purposes of paying government expenditures, is made by crediting the target recipient's transaction account through instruction to debit or electronic fund transfer facilitated by any government agency or instrumentality through their respective Payment Service Provider;

(c) *Electronic fund transfer* refers to a transfer of funds between two transaction accounts in the same or different *Bangko Sentral ng Pilipinas* - supervised institutions which are initiated and received using electronic devices and channels to transmit payment instructions;

(d) *Transaction account* refers to an account, such as but not limited to a current account, regular savings account, basic deposit account e-money account, held with a BSP-supervised institution that can be used to store, send, and receive funds.

(e) Payment system refers to the set of payment instruments, processes, procedures, and participants that ensure the circulation of money or movement of funds which comply with the requirements set forth under

Republic Act No. 11127, otherwise known as the National Payment Systems Act;

(f) *Payment service provider (PSP)* refers to a BSP-supervised institution, such as a bank or non-bank electronic money issuer, that provides payment services to end-users such as consumers, merchants, and billers, including government institutions;

(g) *Government servicing payment service provider (Government PSP*) refers to bank and non-bank PSPs authorized to accept government funds and perform payment services on behalf of government entities, including authorized government depository banks as defined by the Department of Finance regulations;

(h) *Information security standards* refers to standards that aim to protect and secure the confidentiality, integrity, availability, authenticity, and non-repudiation of information and the data privacy of users of any digital payment platforms and other parties involved therein;

(i) *Interoperable* refers to Digital Payments that can be made between payors and payees even if they maintain accounts with different PSPs;

(j) *Merchant* refers to a person or entity engaged in buying and selling merchandise, offering goods and services, skills, or expertise, and leasing of goods and services.

(k) *Micro-payment transactions* refer to low-value payments including payments to sari-sari store owners, wet market vendors, tricycle and jeepney drivers, the actual thresholds of which shall be determined by the BSP, pursuant to the objectives of this Act;

(l) *Financial inclusion* refers to the state in which everyone, especially the vulnerable sectors, has effective access to a wide range of financial services. Effective access means not only the availability of financial products and services, but that these products and services are appropriately designed, of good quality, and responsive to the varied needs of individuals and businesses—whether for saving, payments, financing, investing, or getting insured; and

(m) *Covered agencies* refers to all government entities, including but not limited to national government agencies (NGAs), foreign-based government agencies, all government corporations, local government units (LGUs), State Universities and Colleges (SUCs), and local universities and colleges (LUCs).

SEC. 5. Adoption of Digital Payments for Government Disbursements. – All Covered agencies are hereby mandated to utilize safe and efficient digital disbursement in the payment of goods, services, and other disbursements, including but not limited to cash assistance and payment of salaries, wages, allowances, and honoraria of their employees, whatever the nature of appointment.

Government entities shall be allowed to disburse funds directly into the transaction account of the recipient or beneficiary held in government or private financial institutions, without the need for special arrangement with each of these financial institutions. For this purpose, government entities may use automatic debit arrangements, interoperable electronic fund transfers, or any other appropriate facility of their Government PSP.

Accountable officers of government entities shall observe due diligence in ensuring the accuracy of the recipient's or beneficiary's identity. Uses of government funds through direct crediting shall remain transparent to State auditors.

Government entities shall be responsible for preparing the payment instruction with the necessary details, including the recipient's or beneficiary's name, transaction account details, and amount, among others, only after proper authorization in accordance with established accounting and auditing rules and regulations.

The government servicing PSP shall carry out the payment instruction and submit the verified list of successful and failed fund transfers and other relevant details to the government entity disbursing the fund. Subject to agreement with the government entity, the government servicing PSP may collect fees from the government entity for the electronic fund transfer services.

In case of unsuccessful digital disbursement, there shall be a recovery mechanism that will ensure the continuity of delivery of payment services: P*rovided*, That in cases of calamities or other emergencies where payments through digital means may be affected, non-digital payout channels may be explored.

SEC. 6. ***Adoption of Digital Payments for Government Collections.* –** In addition to cash payment**,** all Covered agencies shall offer digital collection as a mode, in addition to acceptance of cash payment, for the collection of taxes, fees, tolls, imposts, and other revenues, including non-income collections and receipts.

Government entities shall utilize secure payment processing solutions to ensure acceptance of various digital payment methods. For this purpose, government entities may engage the services of established PSPs: Provided, That only interoperable digital payment solutions which are compliant with the National Retail Payment System Framework pursuant to Republic Act No. 11127, or the National Payment Systems Act, shall be availed, subject to the existing procurement laws, rules, and regulations, and such other guidelines that may be issued for the purpose.

Notwithstanding any law to the contrary, partner PSPs of a government entity shall not be limited to government servicing PSPs.

SEC. 7. ***Adoption of Interoperable Digital Payment Solutions.* –** The digital payment solutions adopted by Covered agencies shall allow for real-time receipt of funds by the recipient Covered agencies immediate issuance of electronic invoices and/or official receipts to payors, regular audit reports, and other technical features that will aid in the fulfillment of the objectives of this Act.

Existing agreements between government entities and PSPs shall be honored until the respective terms thereof expire: *Provided*, That parties concerned shall endeavor, within one (1) year from the effectivity of this Act, to implement amendments to such agreements with the intention to remove provisions detrimental to public interest.

In all instances, collection and payment schemes that prevent transparency and accountability over public funds, as well as arrangements disadvantageous to the government, shall be discontinued.

SEC. 8. ***Issuance and Acceptability of Electronic Official Invoice/Receipts.*** **–** To support the adoption of digital payments and enhance transparency and efficiency in financial transactions, Covered agencies and merchants accepting digital payments shall ensure the issuance and acceptability of electronic official invoice/receipts or equivalent digital proof of payment for transactions conducted through electronic or digital means.

Electronic official invoice/receipts issued pursuant to this section shall be recognized as valid proof of payment, subject to compliance with applicable accounting, audit, tax, and other relevant laws, rules, and regulations. The cost for the issuance of electronic proofs of payment shall not result in a separate charge on the electronic or digital payment of a transaction. The relevant costs for the issuance of electronic proofs of payment shall form part of the operational expenditures in the appropriate budgets of government entities as provided in Section 17 of this Act.

The use of electronic official receipts shall be without prejudice to the continued acceptance of other forms of official receipts.

SEC. 9. ***Creation and Membership of the Steering Committee on the Adoption of Digital Payments for Digital Collections.*** **–** There shall be a Steering Committee composed of BSP as Chair, Commission on Audit (COA), Department of Budget and Management (DBM), DOF, Bureau of the Treasury (BTr), Bureau of Internal Revenue (BIR), Government Procurement Policy Board (GPPB), Department of Information and Communications Technology (DICT), Department of Trade and Industry (DTI), Securities and Exchange Commission (SEC) and other relevant agencies as members that will provide guidance and promote cost-efficiency and transparency in procurement of digital payment solutions by government entities.

The Steering Committee shall have the following powers and functions:

(a) Provide overall policy and strategic direction and oversee the implementation of this Act, including the monitoring of digital payment activities to support evidence-based policymaking;

(b) Oversee and monitor the procurement of digital payment solutions by Covered agencies and ensure that such procurement is in accordance with existing laws, rules, and regulations;

(c) Resolve issues arising from the implementation of this Act without prejudice to the authority of Covered agencies to address such matters pursuant to their respective mandates;

(d) Coordinate with, or request the assistance of any department, agency, or office, consistent with their respective mandates, for the effective implementation of this Act;

(e) Formulate standard terms and conditions for PSPs: *Provided,* That pursuant to its mandate, the GPPB may issue specific procurement guidelines for the engagement of PSPs;

(f) Collaborate with public and private sector entities for data collection, research, and policy development, and for the provision of digital financial education and literacy programs, as well as training and capacity-building opportunities for micro, small, and medium enterprises;

(g) Promote and communicate the multi-year digital payments roadmap to the public and private sectors; and

(h) Formulate and adopt its governance framework, operational guidelines, and rules of procedure, as may be necessary to carry out its functions and duties.

SEC. 10. ***Digital Payment Capability of Merchants*. –** To accelerate the adoption of digital payment, LGUs shall, by ordinance, grant monetary and non-monetary incentives to merchants within their localities to establish or outsource arrangements or mechanisms that would enable them to receive payments from clients and make payments to creditors and suppliers using digital channels.

LGUs shall ensure that merchants in their jurisdictions have access to appropriate digital payment solutions and have the capacity to effectively use the same, with due consideration to small and micro-merchants, including market vendors, tricycle operators and food stall owners. LGU shall extend assistance to small and micro-merchants to facilitate their adoption of digital transaction capability. BSP, DTI, Department of Interior and Local Government, and DICT shall also facilitate measures to provide capacity building for Covered agencies and merchants on the use of digital payments.

Further, LGUs are authorized to formulate and implement incentive frameworks within their respective jurisdictions to encourage merchant adoption and use of digital payment systems.

SEC and BIR are likewise authorized and directed to craft and implement incentive programs, consistent with their respective mandates, to promote the adoption of digital payments. Such measures may include, among others, prioritizing regulatory or audit activities toward businesses whose disbursements and collections remain predominantly cash-based, in order to encourage the shift toward digital payment transactions.

SEC. 11. ***Promotion of Digital Payment Transactions.* –** To optimize the benefits of this technological innovation, scale up financial inclusion, and promote sustainability, Covered agencies shall prioritize the use of safe and efficient digital payment in their financial transactions.

The Covered agencies shall also explore the feasibility of adopting a comprehensive incentive framework for selected financial transactions to encourage the availment of digital payments. Moreover, LGUs may impose reduced fees or grant other incentives for merchants providing efficient digital payment systems.

The BSP shall, in coordination with relevant stakeholders, and implementing agencies, promote measures on financial and digital literacy, and consumer protection to strengthen the public's trust in digital payment transactions.

To enable the general public to adopt digital payments, micro-payment transactions shall be subject to graduated pricing or be rendered free of service charge as determined by BSP in consultation with the merchants and the payment services industry, as may be represented by the BSP-accredited payment system management body.

The Department of Science and Technology (DOST) and the DICT shall implement measures to further enhance the availability and cost of internet connection to support the government's program on the digitalization of financial transactions.

SEC. 12. ***Multi-Year Roadmap for Digital Payment Adoption.* –** The BSP, in collaboration with relevant government entities, shall prepare and regularly update a multi-year roadmap on digital payments to ensure the timely implementation and optimal realization of the objectives of this Act.

This multi-year roadmap shall be aligned with the e-government masterplan formulated by the DICT in consultation with other key government agencies and shall, among others, set targets and outcomes, including but not limited to the widespread adoption of digital payments by merchants, for a minimum period of five (5) years, and include strategic public and private interventions and possible government programs and projects.

The roadmap shall be subject to annual review.

SEC. 13. ***Transitory Provision.* –** All Covered agencies shall ensure the proper transition of their respective agencies' payment procedures and policies to accommodate digital payment towards the full implementation of this law.

The implementation of digital payments may be subject to a tiered transition approach that utilizes a differentiated transition timeframe based on the operational readiness and capability of the concerned Covered agency. Such tiered transition shall be in accordance with the tiering guidelines to be provided in the implementing rules and regulations of this Act and the transition period shall not exceed three (3) years from the issuance of the tiering guidelines. Covered agencies which are deemed capable of fully adopting digital payments may do so within a shorter period, while those which are incapable may be allowed a longer period.

SEC. 14. ***Information Security and Data Privacy*****. –** All data information and information and communications technology systems and networks used for digital payments pursuant to the objectives of this Act shall be secured and protected at all times.

The BSP shall, in consultation with the DICT and the National Privacy Commission, define and prescribe the minimum information security standards for compliance of PSPs who are covered by this Act and are not under the oversight and regulatory authority of the BSP.

SEC. 15. ***Obligations of Payment System Providers.*** **–** In line with the declared policy in this Act, all PSPs shall have the following obligations:

(a) Integrate security and data privacy by design and by default in the development stage of the payment systems;

(b) Process personal and sensitive personal information in the system in accordance with any of the criteria for lawful processing provided for under relevant laws, rules, and regulations;

(c) Implement reasonable and appropriate organizational, physical, and technical security measures for the protection of personal data and uphold the rights of data subjects;

(d) Provide reasonable and timely assistance to NGAs, government corporations, LGUs, SUCs, and/or merchants, in accordance with relevant rules and regulations, to enable them to respond to requests from clients to exercise any of their rights and to address any correspondence, inquiry, or complaint received from a client or other third party in connection with the processing of personal data in the payment system;

PSP performing the function of collection of money and/or payment of transactions on behalf of a government agency shall, to the extent necessary, cooperate with COA for the examination, audit, and settlement of all accounts pertaining to the revenue and receipts, and expenditures or uses of funds of all Covered agencies. The PSP shall allow COA to perform its audit procedures and to determine whether collections are complete and use of funds are authorized;

(e) Comply with the requirements indicated in the standard terms of reference or standard minimum terms and conditions that may be issued by the appropriate authority; and

(f) Comply with reporting obligations to the appropriate government agencies, including concerned LGUs, NGAs, and the COA, as may be required under this Act and its implementing rules and regulations, which reporting obligations shall, as applicable, be aligned with and consistent with the regulations, circulars, and standards issued by BSP governing payment system participants.

SEC. 16. *Penalties and Sanctions.* – Without prejudice to the penalties and sanctions provided in Republic Act No. 11127, otherwise known as the "National Payment Systems Act," and other laws, any person or entity willfully violates this Act, rules or regulations, directives, or orders duly promulgated by the BSP pursuant hereto, the person or persons responsible for such violation shall be punished by a fine of not less than Two hundred thousand pesos (₱200,000.00) nor more than Two million pesos (₱2,000,000.00), or by imprisonment of not less than two (2) years nor more than ten (10) years, or both, at the discretion of the court.

SEC. 17. *Interpretation.* – Nothing in this Act shall be construed to exempt any government funds in the possession of private entities from the constitutional authority and duty of COA to examine, audit, and settle all accounts pertaining to the revenue and receipts of, and expenditures or uses of funds and property, owned or held in trust by, or pertaining to, the government.

All digital payments involving government transactions under this Act shall be subject to post-audit of COA. Accordingly, the COA shall promulgate the pertinent rules and regulations for all transactions covered by this Act.

SEC. 18. *Appropriations.* – The amount necessary for the initial implementation of this Act shall be charged against the current year's appropriations of' the concerned departments/agencies. Thereafter, such amount shall be included in the annual General Appropriations Act.

Government-owned or controlled corporations shall include in their respective corporate operating budgets such amount deemed appropriate for the implementation of this Act.

The local government units may set aside from any available local revenue an amount deemed appropriate for the implementation of this Act.

SEC. 19. *Oversight Committee.* – There is hereby created a Joint Congressional Oversight Committee (JCOC) to oversee, monitor, and evaluate the implementation of this Act. The JCOC shall be composed of five (5) members each from the House of Representatives and the Senate. The JCOC shall be co-chaired by the Chairpersons of the House Committee on Banks and Financial Intermediaries and the Senate Committee on Banks, Financial Institutions and Currencies.

The Speaker and the Senate President shall designate the other four (4) members of the JCOC of the House and the Senate from among the members of the House Committee on Banks and Financial Intermediaries and the Senate Committee on Banks, Financial Institutions and Currencies, at least one (1) member of which shall be from the minority.

SEC. 20. ***Implementing Rules and Regulations.* –** The BSP shall, in coordination with the DBM, COA, DOF, BTr, BIR, DOST DTI, DICT, and DILG, promulgate the rules and regulations implementing the provisions of this Act within one hundred eighty (180) days after its effectivity.

SEC. 21. ***Separability Clause.* –** If for any reason, any part or provision of this Act is declared invalid or unconstitutional, the remaining parts or provisions not affected shall remain in full force and effect.

SEC. 22. ***Repealing Clause*. –** All laws, presidential decrees, executive orders, rules and regulations contrary to or inconsistent with the provisions of this Act are hereby repealed or modified accordingly.

SEC. 23. ***Effectivity.* –** This Act shall take effect fifteen (15) days after its publication in the *Official Gazette* or in a newspaper of national circulation.

Approved,

FACT SHEET

House Bill No. 8468

(As approved by the Committee on Banks & Financial Intermediaries on February 24, 2026, in substitution of House Bills Numbered 2568, 3646, 4825, 5226, 5385, 5489, 6002, 6271, 6326, 6621, 7192, 7327, 7356, 7370, and 7672)

AN ACT
ADOPTING AND REGULATING THE USE OF DIGITAL PAYMENT SYSTEMS FOR GOVERNMENT FINANCIAL TRANSACTIONS AND ALL MERCHANTS

Introduced by: Representatives Irwin C. Tieng, Bienvenido M. Abante, Jr., Joel R. Chua, Ernesto M. Dionisio, Jr., Giselle Mary L. Maceda, Rolando M. Valeriano, Mikaela Angela B. Suansing, Ralph Wendel P. Tulfo, Jocelyn P. Tulfo, Miguel Luis R. Villafuerte, Howard A. Guintu, Agatha Paula Aguilar Cruz, Kenneth T. Gatchalian, Juan Carlos "Arjo" C. Atayde, Edvic G. Yap, Eric Go Yap, Salvador A. Pleyto, James "Jojo" Ang, Jr., Jesus "Jess" R. Marquez, Franz S. Pumaren, Eric L. Olivarez, Brian Raymund S. Yamsuan, Javier Miguel Lopez Benitez, Ronaldo V. Puno, Ferdinand "B1" L. Beltran, Sonny "SL" L. Lagon, Joseph Kim C. Yu, Jeyzel Victoria C. Yu, Maria Kristina Jihan B. Glepa, Kristine Singson-Meehan, Eduardo R. Rama Jr., Patrick Michael D. Vargas, Reynante U. Arrogancia, Gerardo "Gerryboy" J. Espina, Jr., Shirlyn L. Bañas-Nograles, Linabelle Ruth R. Villarica, Jorge Daniel S. Bocobo, Henry "Ïndy" F. Oaminal, Jr., Maria Cristina C. Angeles, Adrian E. Salceda, Irene G. Labadlabad, Felimon M. Espares, Ryan S. Recto, Janette L. Garin, Julienne "Jam" L. Baronda, Marie Bernadette G. Escudero, Maria Carmen S. Zamora, Keith Micah "Atty Mike" D.L. Tan, Monique Yazmin Maria Q. Lagdameo, Romeo S. Momo, Sr., Joseph S. Tan, Dale B. Corvera, Charisse Anne C. Hernandez, John Tracy F. Cagas, Alexandria "Queenie" Gonzales, Johanne Monich G. Bautista, Brian Poe, Milagros Aquino-Magsaysay, Patricia C. Calderon, Nathaniel M. Oducado, Laarni Lavin Roque, Leonel "Jhong" D. Ceniza, De Carlo L. Uy, Gloria Macapagal-Arroyo, Sittie Aminah Q. Dimaporo, Arthur C. Yap, Jose Manuel Tadeo "Chel" I. Diokno, Audrey Kay T. Zubiri, Jude A. Acidre, and Eleandro Jesus F. Madrona

Committee Referral: Committee on Banks and Financial Intermediaries (Primary)
Committee Chairperson: Irwin C. Tieng
Committee Referral: Committee on Appropriations (Secondary)
Committee Chairperson: Mikaela Angela B. Suansing

OBJECTIVES:

- To facilitate the use of safe, efficient, and inclusive digital payments in financial transactions, arrangements, and exchanges of goods and services by the government and the public.

KEY PROVISIONS:

- Mandates all government entities including national government agencies (NGAs), foreign-based government agencies, government corporations, local government units (LGUs), state universities and colleges (SUCs), and local universities and colleges (LCUs), (collectively, *"Covered Agencies"),* to use safe, efficient, and inclusive digital disbursement in the payment of goods, services and other disbursement, including cash assistance, and payment of salaries, wages, allowances and honoraria for their employees.

- Authorizes *Covered Agencies* to directly disburse into a recipient or beneficiary's account through automatic debit arrangements, interoperable electronic fund transfers, or other facilities of a government-serving payment service providers (PSPs).

- Mandates *Covered Agencies* to offer digital collection as a mode for the collection of taxes, tolls, imposts, and other revenues, including non-income collection and receipts, in addition to the acceptance of cash payments.

  Covered Agencies shall adopt interoperable digital payment solutions that would allow real-time receipt of funds, immediate issuance of electronic invoices and official receipts, regular audit reports, and other technical features.

  Electronic official invoices or receipts issued by *Covered Agencies* under this Act shall be recognized as valid proof of payment, subject to applicable accounting, audit, tax, and other relevant laws and regulations, and without prejudice to the continued acceptance of other forms of official receipts.

- Creates a Steering Committee to provide guidance and promote cost-efficiency and transparency in the procurement of digital payment solutions by *Covered Agencies.*

  The Committee is composed of Bangko Sentral ng Pilipinas (BSP) as Chair, with the Commission on Audit, Department of Budget and Management, Department of Finance, Bureau of the Treasury, Bureau of Internal Revenue, Government Procurement Policy Board, Department of Information and Communications Technology, Department of Trade and Industry, Securities and Exchange Commission and other relevant agencies, as members.

- Empowers the Steering Committee to provide overall policy and strategic direction and oversee the implementation of this Act, oversee and monitor the procurement of digital payment solutions by *Covered Agencies*, resolve issues arising from the implementation of this Act, and formulate and adopt its governance framework, operational guidelines, and rules of procedure necessary to carry out its functions.

- Mandates LGUs to grant monetary or non-monetary incentives, through the enactment of ordinances, that would help merchants establish mechanisms or outsource arrangements to enable them to receive payments and to make payments using digital channels.

  LGUs shall formulate incentive frameworks to encourage the adoption and use of digital payment systems, which may take the form of reduced fees or other non-monetary incentives to merchants providing efficient digital payment systems.

  LGUs shall also extend assistance particularly to small and micro-merchants, such as market vendors, tricycle operators and food stalls, to facilitate their adoption of digital transaction capability.

- Directs the SEC and BIR to craft incentive programs promoting the adoption of digital payments, and to implement measures prioritizing regulatory and audit activities for businesses whose disbursements and collections remain predominantly cash-based.

- Prescribes graduated pricing or outright exemption for micropayments as may be determined by BSP, in consultation with merchants and the payment services industry.

- Mandates BSP to formulate a multi-year roadmap for the adoption of digital payments that is aligned with the e-government masterplan formulated by DICT, sets targets and outcomes for a minimum period of five (5) years, and includes strategic public/private interventions.

- Prescribes a transition period of not more than three (3) years, in accordance with tiering guidelines provided in the implementing rules and regulations.

  Covered agencies capable of fully adopting digital payments may transition within a shorter period while those that are incapable may be allowed a longer period.

- Mandates that all data information and ICT systems/networks used for digital payments shall be secured and protected at all times. BSP shall prescribe minimum information security standards for compliance by PSPs not subject to the regulatory authority of the BSP.

- Prescribes the duties and obligations of PSPs, as follows: (1) integrate security and data privacy in the development of payment systems; (2) process personal and sensitive information in accordance with relevant laws, rules and regulations; (3) implement organizational, physical and technical security measures for the protection of personal data, and uphold the rights of data subjects; (4) assist covered entities in addressing inquiries or complaints in connection with the processing of personal data; (5) cooperate with COA in the examination, audit and settlement of accounts, revenues, receipts and uses of funds of Covered Agencies, and; (6) comply with the terms and conditions of payment system agreements.

- Punishes persons and entities who violate this Act and its implementing rules and regulations, directives, and orders of BSP, with a fine not less than P200,000.00 nor more than P2 million, or imprisonment of not less than two (2) years nor more than ten (10) years, or both, at the discretion of the court.

  This shall be without prejudice to the penalties and sanctions provided in Republic Act No. 11127 (National Payment System Act).

- Provides that all digital payments involving government transactions under this Act shall be subject to post-audit by COA, which is mandated to promulgate the pertinent rules and regulations for all transactions under this Act.

- Authorizes Covered Agencies to include in their respective budgets the amount required to cover the costs of establishing and maintaining infrastructure, systems, and process adjustments. However, the release of the budget may be conditioned on the actual adoption of digital payments by Covered Agencies.

  The amount necessary for the implementation of this Act shall be taken from the budgets of Covered Agencies for the current year. Thereafter, the sum required for the continued implementation of this Act shall be incorporated in the annual General Appropriations Act, corporate operating budget, or appropriation ordinance, as the case may be.

- Creates a joint congressional oversight committee (JCOC) to oversee, monitor, and evaluate the implementation of this Act, to be composed of five (5) members each from the House of Representative and the Senate, and co-chaired by the chairpersons of the House Committee on Banks and Financial Intermediaries and the Senate Committee on Banks, Financial Institutions and Currencies.

- Mandates BSP to promulgate the implementing rules and regulations of this Act within 180 days from its effectivity, in coordination with DBM, COA, DOF, BTr, BIR, DOST, DICT and DILG.

RELATED LAWS:

Republic Act No. 11127 (“The National Payment Systems Act”)
Executive Order No. 170, Series of 2022 (“Adoption of Digital Payments For Government Disbursements and Collection”)
Republic Act No. 11032 (“Ease of Doing Business and Efficient Government Service Delivery Act of 2018”
Republic Act No. 8791 (“General Banking Act of 2000”)
Republic Act No.7160, as amended (“Local Government Code of 1991”)