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THIRTEENTH CONGRE OF THE PHILIPP First Regular Session	ESS OF THE REPUBLIC) PINES))	*04	JUN 30 P12:75
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	Introduced by Senator Flavi	er	

EXPLANATORY NOTE

The Constitution clearly confers the power of the purse to Congress.

Thus,

All appropriation, revenue or tariff bills, bills authorizing increase of the public debt, bills of local application and private bills shall originate exclusively in the House of Representatives, but the Senate may propose or concur with amendments. (Sec. 24, Article VI);

No money shall be paid out of the Treasury except in pursuance of an appropriation made by law. (Sec. 29 [I], Article VI)

Moreover, unlike the 1935 Constitution where legislative sessions were limited to 100 session days per year, under the present Constitution, the sessions are held continuously throughout the year.

Sec. 15, Article VI, provides that "The congress shall convene once every year on the fourth Monday of July for its regular session, unless a different date is fixed by law, and shall continue to be in session for such number of days as it may determine until thirty (30) days before the opening of its next regular session..."

Hence, even without automatic appropriation, Congress which is in continous sessions can now attend to any legislation and/or appropriation as the need arises.

Through this bill, we now restore the full power of the purse to Congress.

Hence, the urgent passage of this bill.

JAN M. FLAVIER Senator

	SENATE OFFICE OF THE SECRETARY
THIRTEENTH CONGRESS OF THE REPUBLIC) OF THE PHILIPPINES) First Regular Session)	'04 JUN 30 P12-75
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Introduced by Senator Flavie	2. So that the second secon

AN ACT

AMENDING SECTION 31 OF P.D. NO. 1177, SECTION 26 BOOK VI OF E.O. NO. 292 AND REPEALING PROVISIONS OF LAW AUTHORIZING AUTOMATIC APPROPRIATIONS

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

SECTION 1. Section 31 of Presidential Decree No. 1177, as codified in Section 26, Book VI of Executive order No. 292, is hereby amended to read as follows: "Section 31 [Automatic] Appropriations. All expenditures for [(a) personnel retirement premiums, government service insurance and other similar fixed expenditures, (b)] (A) principal and interest on public debt [(c)] (B) national government guarantees of obligations which are drawn upon [are automatically appropriated] shall be subject to the regular annual congressional appropriations: *PROVIDED*, That no obligation shall be incurred or interests made from funds, thus [automatically] appropriated except a issued in the form of regular budgetary allotments.

SEC. 2. Repealing Clause. – All provisions of laws which specifically provide for an automatic appropriation are hereby repealed, as follows: (1) Section 24 of commonwealth Act No. 136, as amended by Section 22 of Republic Act No. 660 and renumbered as Section 27 thereof; (2) section 9 of Republic Act No. 245, otherwise known as the Local Borrowing Act; (3) Section 6 of Republic Act No. 4860, otherwise known as the foreign Borrowing Act, as amended by Section 7 of Presidential Decree No. 81; and (4) Presidential Decree No. 1967, otherwise known as the Net Lending Decree.

SEC. 3. Effectivity. – This Act shall take effect upon its approval. Approved,