

THIRTEENTH CONGRESS OF THE REPUBLIC }
OF THE PHILIPPINES }
First Regular Session }

'04 JUN 30 P10:26

SENATE
Senate Bill No. 832

RECEIVED BY: 

Introduced by **SENATOR PANFILO M. LACSON**

EXPLANATORY NOTE

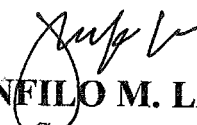
The 1987 Constitution provides in Article XI Section 1 that: "Public office is a public trust. Public officers and employees must at all times be accountable to the people, serve them with utmost responsibility, integrity, loyalty and efficiency, act with patriotism and justice and lead modest lives." As public office is a public trust, it must not be used for self-aggrandizement or for acquiring wealth by the person holding it. The public officer is a steward who must perform his powers and duties for the benefit of the people and not for the enhancement of his own interest.

In 1955, Republic Act No 1405 otherwise known as the "Secrecy of Bank Deposits Law" was enacted for the purpose of encouraging people to deposit their money in banking institutions and to discourage private holding so that the same may be properly utilized by banks in authorized loans to assist in the development of the country.

Under this law, all deposits are strictly confidential and may not be examined, inquired or looked into except on the following grounds: upon written permission of the depositor; in cases of impeachment; upon order of a competent court in cases of bribery or dereliction of duty; and in cases where the money deposited or invested is the subject matter of litigation. The avowed purpose of the law is very commendable but unfortunately the provision of the law prohibiting disclosure of or inquiry to bank deposits have been used to hamper and stall investigations of government officials and employees suspected of enriching themselves while in office.

Thus, this bill seeks to exempt government officials and employees, whether elected or appointed, from the coverage of the Bank Secrecy Law in order that law enforcement authorities will be equipped with the tools needed to go after crooks in government.

In view thereof, the early passage of this bill is earnestly recommended.


PANFILO M. LACSON
Senator

THIRTEENTH CONGRESS OF THE REPUBLIC }
OF THE PHILIPPINES }
First Regular Session }

'04 JUN 30 P10:26

SENATE
Senate Bill No. 832

RECEIVED BY: 

Introduced by SENATOR PANFILO M. LACSON

AN ACT
TO AMEND SECTION 2 OF REPUBLIC ACT NO. 1405,
OTHERWISE KNOWN AS THE "SECRECY OF BANK DEPOSITS
LAW," EXEMPTING GOVERNMENT OFFICIALS AND
EMPLOYEES FROM THE PROHIBITION AGAINST DISCLOSURE
OF OR INQUIRY INTO DEPOSITS WITH ANY BANKING
INSTITUTION AND FOR OTHER PURPOSES

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

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

"SECTION 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; **OR WHEN THE DEPOSITOR IS AN ELECTIVE OR APPOINTIVE OFFICIAL OF THE REPUBLIC OF THE PHILIPPINES INCLUDING BUT NOT LIMITED TO THE PRESIDENT, VICE-PRESIDENT, MEMBERS OF CONGRESS, MEMBERS OF THE JUDICIARY, THE OMBUDSMAN AND HIS DEPUTIES, THE CHAIRMEN AND MEMBERS OF THE CONSTITUTIONAL COMMISSION, MEMBERS OF THE CABINET INCLUDING THE UNDERSECRETARIES, ASSISTANT SECRETARIES AND BUREAU DIRECTORS OF THE DIFFERENT DEPARTMENTS, THE COMMISSIONERS, DEPUTY COMMISSIONERS, EXAMINERS AND/OR APPRAISERS IN THE BUREAU OF CUSTOMS AND THE BUREAU OF INTERNAL REVENUE AND THE OFFICERS AND MEMBERS OF THE ARMED FORCES OF THE PHILIPPINES (AFP) AND THE PHILIPPINE NATIONAL POLICE (PNP).**

SECTION 2. Separability Clause. - If any part of the provision of this Act is hereby declared unconstitutional or invalid, other provisions hereof which are not affected thereby shall continue to be in full force and effect.

SECTION 3. Repealing Clause. - All law, executive orders, decrees, rules and regulations, or any part thereof inconsistent with the provision of this Act are deemed repealed or modified accordingly.

SECTION 4. Effectivity. - This Act shall take effect immediately upon approval.

Approved,