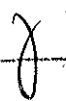


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SENATE
P. S. R. No. 1558

RECEIVED BY: 

Introduced by Senator Miriam Defensor Santiago

RESOLUTION
DIRECTING THE PROPER SENATE COMMITTEE
TO CONDUCT AN INQUIRY, IN AID OF LEGISLATION,
ON THE REPORT THAT THE LOCAL GOVERNMENT OF SAN PEDRO CITY IN
LAGUNA PURCHASED 18 BRAND-NEW CARS WORTH ₱13 MILLION WITHOUT THE
APPROVAL OF THE DEPARTMENT OF INTERIOR AND LOCAL GOVERNMENT

1 WHEREAS, the Constitution provides in Article 2, Section 27 and 28: "The State shall
2 maintain honesty and integrity in the public service and take positive and effective measures
3 against graft and corruption";

4 WHEREAS, the 2014 Commission on Audit (COA) report claimed that the local
5 government of San Pedro City in Laguna violated a circular of the Department of Interior and
6 Local Government (DILG) when it purchased 18 brand-new cars worth ₱13,332,240 as service
7 vehicles of its barangay captains;

8 WHEREAS, according to the COA, the city government bought some 17 Hyundai
9 Accent units and one Toyota Avanza unit in April 2014;

10 WHEREAS, the cars were reported by the *Philippine Daily Inquirer* last year to have
11 been distributed to all except one of the city's 19 village chiefs;

12 WHEREAS, the COA claimed that the vehicles were bought without the approval of the
13 DILG secretary, as stated in DILG Memorandum Circular No. 2013-47, on deals involving cars,
14 vans, or pick-up types with engine displacement not exceeding 2,200 cc if gasoline-fed or 3,000
15 cc if diesel-fed;

16 WHEREAS, the city accountant allegedly said in a phone interview that she was not
17 aware of the DILG circular on the procurement of vehicles;

18 WHEREAS, the COA report further said that in September 2014, the city bought another
19 vehicle, a 2014 Nissan Frontier Navarra Brute worth ₱1,203,750, as service vehicle of Cristina
20 Santos, the city's community affairs officer;

21 WHEREAS, the audit report noted that the vehicles were purchased through direct
22 contracting, a procurement method that does not require bidding;

1 WHEREAS, the city government also reportedly purchased solar devices worth
2 ₱4,525,000, 22 Honda motorcycles worth ₱962,000, and surveying equipment worth ₱370,000,
3 all without public bidding;

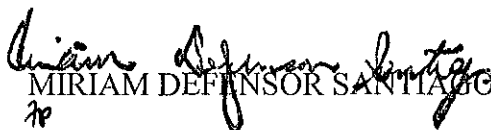
4 WHEREAS, the COA noted that the use of direct contracting as mode of procurement is
5 not valid since conditions for such mode were not met and documents presented by the agency in
6 support of the procurement were insufficient, thus obstructing transparency, accountability,
7 efficiency, and economy in the use of government resources;

8 WHEREAS, according to the COA, the city government should employ only public
9 bidding for procurement unless absolutely necessary;

10 WHEREAS, Congress should ensure that public funds are used transparently and
11 judiciously to prevent graft and corruption in all levels of the government;

12 WHEREFORE, BE IT HEREBY RESOLVED BY THE PHILIPPINE SENATE to direct
13 the proper Senate committee to conduct an inquiry, in aid of legislation, on the report that the
14 local government of San Pedro City in Laguna purchased 18 brand new cars worth ₱13 million
15 without the approval of the Department of Interior and Local Government.

Adopted,


MIRIAM DEFENSOR SANTIAAGO
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