

13th CONGRESS OF THE)
REPUBLIC OF THE PHILIPPINES)
First Regular Session)

SECRETARY

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SENATE

S. BILL NO. 1333

Introduced by SENATOR RALPH G. RECTO

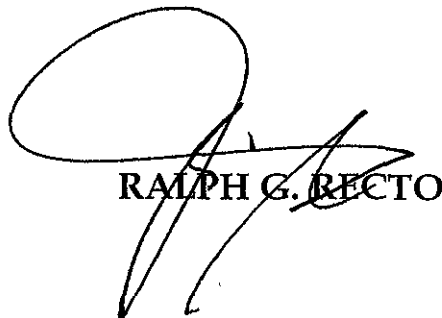
EXPLANATORY NOTE

Historically, our fiscal managers have never met the original program targets set forth in the national budget. Every year, they propose to Congress a formula on how they would finance the proposed expenditure program for the incoming year. But at the end of the year, the actual revenue collections fall short of the numbers in the Budget of Expenditures and Sources of Financing (BESF).

The country's total outstanding debt is increasing because Government has not kept the commitment to meet revenue targets and manage our fiscal deficit. With government's seemingly relentless borrowing binge, it is no wonder that the country's outstanding debt stock is growing by almost a million every minute.

This proposed measure puts a cap on the borrowings by the national government by mandating the Chief Executive to go back to Congress and seek authority to borrow more in the event the national government fiscal deficit target submitted by the President is breached before the end of the fiscal year. It is essential that Congress should be guided by a borrowing program developed by the President to restore fiscal discipline before the country falls into another debt trap. As such, this bill will compel our fiscal and budget managers to be more accurate and prudent in their fiscal targets and programs.

It is hoped that this piece of legislation will be seriously considered for immediate approval.



RALPH G. RECTO

