

NINETEENTH CONGRESS OF THE ) REPUBLIC OF THE PHILIPPINES ) Second Regular Session )

23 OCT -4 P3:54

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SENATE

S. No. <u>2460</u>

Introduced by Senator MANUEL "LITO" M. LAPID

## AN ACT

## INCREASING THE AUTHORIZED CAMPAIGN EXPENSES OF CANDIDATES AND POLITICAL PARTIES, AMENDING FOR THE PURPOSE SECTION 13 OF REPUBLIC ACT NO. 7166, ENTITLED, "AN ACT PROVIDING FOR SYNCHRONIZED NATIONAL AND LOCAL ELECTIONS AND FOR OTHER ELECTORAL REFORMS, AUTHORIZING APPROPRIATIONS THEREFOR, AND FOR OTHER PURPOSES"

## **EXPLANATORY NOTE**

This proposed legislation aims to address the need for an adjustment in allowable campaign expenses to reflect the effects of inflation on the costs associated with electoral campaigns, and to empower the Commission on Elections (COMELEC) to periodically update these limits in response to changing economic conditions.

Republic Act No. 7166, otherwise known as the "Synchronized National and Local Elections and for Electoral Reforms Act of 1991," currently governs the allowable campaign expenses for candidates participating in Philippine elections. Under the existing law, allowable campaign expenses are set at levels that were appropriate when the law was enacted but have since become outdated due to the natural progression of inflation.

The primary objective of this bill is to adjust the allowable campaign expenses in Republic Act No. 7166 to account for inflation. Over the years, the purchasing power of the Philippine peso has diminished, leading to an increase in the cost of various campaign-related activities, including advertising, transportation, and campaign materials. By updating these allowable expenses, we aim to make the campaign budget more realistic and reflective of the prevailing prices of goods and services.

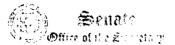
Outdated allowable campaign expenses may inadvertently encourage candidates and political parties to underreport their actual campaign expenditures. This can undermine the transparency and accountability of the electoral process. By adjusting the allowable expenses to align with current economic realities, we intend to minimize, if not eliminate, any motivation to falsify campaign expenditure reports.

In addition to adjusting the allowable campaign expenses in the short term, this bill also empowers COMELEC to regularly review and adjust these limits in response to inflation. By granting COMELEC the authority to make these adjustments, we ensure that campaign expenditure limits remain relevant and effective in promoting transparency and fairness in elections.

This bill seeks to address the pressing need for an adjustment in allowable campaign expenses to account for inflation and to empower COMELEC to regularly update these limits based on economic conditions. This legislation will contribute to more transparent and accountable electoral processes, aligning campaign expenses with prevailing economic realities, and ultimately strengthening the democratic foundations of our nation.

In view of the foregoing, early passage of this bill is sought.

Senator



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## 1AN ACT2INCREASING THE AUTHORIZED CAMPAIGN EXPENSES OF CANDIDATES3AND POLITICAL PARTIES, AMENDING FOR THE PURPOSE SECTION 13 OF4REPUBLIC ACT NO. 7166, ENTITLED, "AN ACT PROVIDING FOR5SYNCHRONIZED NATIONAL AND LOCAL ELECTIONS AND FOR OTHER6ELECTORAL REFORMS, AUTHORIZING APPROPRIATIONS THEREFOR, AND7FOR OTHER PURPOSES"

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

8 SECTION 1. Section 13 of Republic Act No. 7166 is hereby amended to read as9 follows:

"SEC. 13. Authorized Expenses of Candidates and Political 10 Parties. - The aggregate amount that a candidate or registered 11 political party may spend for election campaign shall be as follows: 12 (a) For candidates - [Ten] **FIFTY** pesos [(P10.00)] 13 (P50.00) for President and FORTY PESOS (P40.00) FOR Vice-14 President; and [for other candidates. Three pesos (P3.00]] THIRTY 15 PESOS (P30.00) FOR SENATOR, DISTRICT 16

17 REPRESENTATIVE, GOVERNOR, VICE-GOVERNOR, BOARD
 18 MEMBER, MAYOR, VICE-MAYOR, COUNCILOR, AND PARTY 19 LIST REPRESENTATIVE for every voter currently registered in
 20 the constituency where [he] THE CANDIDATE filed [his] THE

Certificate of candidacy[: Provided, That, a candidate without any
 political party and without support from any political party may be
 allowed to spend Five Pesos [P5.00) for every such voter]; and

4 (b) For political parties - [Five] THIRTY pesos [[P5.00)]
5 (P30.00) for every voter currently registered in the constituency
6 or constituencies where it has official candidates.

\*Any provision of the law to the contrary notwithstanding,
any contribution in cash or in kind to any candidate or political party
or coalition of parties for campaign purposes, duly reported to the
Commission, shall not be subject to the payment of any [gift] **DONOR'S** tax."

SEC. 2. A new Section 13-A shall be inserted after Section 13 of Republic Act
 No. 7166 to read as follows:

SEC. 13-A. AUTHORITY TO ADJUST ALLOWABLE 14 **EXPENSES. - THE COMMISSION ON ELECTIONS SHALL, IN** 15 16 CONSULTATION WITH THE BANGKO SENTRAL NG PILIPINAS, THE NATIONAL **ECONOMIC** AND 17 DEVELOPMENT AUTHORITY, THE PHILIPPINE 18 AND STATISTICS AUTHORITY, THE NECESSARY 19 MAKE ADJUSTMENTS IN THE AMOUNT OF AUTHORIZED 20 CAMPAIGN EXPENSES PER REGISTERED VOTER AS 21 **PROVIDED IN THE PREVIOUS SECTION OF THIS ACT BASED** 22 ON THE ENSUING NATIONAL INFLATION RATE AND 23 **CONSUMER PRICE INDEX.** 24

25 SEC. 3. *Implementing Rules and Regulations*. - The Commission on Elections 26 shall, within ninety (90) days after the effectivity of this Act, promulgate such rules 27 and regulations necessary to implement this Act.

28 SEC. 4. *Appropriations*. - The amount necessary for the implementation of this 29 Act shall be included in the annual General Appropriations Act. 1 SEC. 5. *Separability Clause*. - If any part or provision of this Act is held invalid 2 or unconstitutional, the other provisions not affected shall remain in full force and 3 effect.

SEC. 6. *Repealing Clause*. - All laws, executive orders, issuances, decrees, rules, and regulations inconsistent with or contrary to the provisions of this Act are deemed amended, modified, or repealed accordingly.

SEC. 7. *Effectivity*. - This Act shall take effect fifteen (15) days after its
 publication in the Official Gazette or in a newspaper of general circulation.

9 Approved,

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