

FOURTEENTH CONGRESS OF THE REPUBLIC )  
OF THE PHILIPPINES )  
First Regular Session )

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SENATE  
P. S. R. No. 157

RECEIVED BY: [Signature]

Introduced by Senator Miriam Defensor Santiago

RESOLUTION

DIRECTING THE PROPER SENATE COMMITTEE TO CONDUCT AN INQUIRY, IN AID OF LEGISLATION, ON THE ALLEGED RECEIPT BY SIX MANILA COUNCILORS OF P1.6 MILLION EACH FROM THE PUBLIC COFFERS AND PURSUANT TO A CITY ORDINANCE, PURPORTEDLY AS REWARD FOR SERVING THREE CONSECUTIVE TERMS, TO DETERMINE THE LIABILITY OF THE PUBLIC OFFICIALS INVOLVED AND TO REFER THEM TO THE OMBUDSMAN FOR CRIMINAL PROSECUTION AND POSSIBLE SUSPENSION AND EVENTUAL REMOVAL FROM OFFICE

WHEREAS, the Constitution, Article 11, Section 1, provides: "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";

WHEREAS, the Constitution, Article 11, Section 15, provides: "The right of the State to recover properties unlawfully acquired by public officials or employees, from them or from their nominees or transferees, shall not be barred by prescription, laches, or estoppel";

WHEREAS, Republic Act No. 3019, otherwise known as the Anti-Graft and Corrupt Practices Act, Section 3 (h), provides: "Corrupt practices of public officers. - In addition to acts or omissions of public officers already penalized by existing law, the following shall constitute corrupt practices of any public officer and are hereby declared to be unlawful: (h) Directly or indirectly having financial or pecuniary interest in any business, contract or transaction in connection with which he intervenes or takes part in his official capacity, or in which he is prohibited by the Constitution or by any law from having any interest";

WHEREAS, Republic Act No. 6713, otherwise known as the Code of Conduct and Ethical Standards for Public Officials and Employees, Section 2, provides: "It is the policy of the State to promote a high standard of ethics in public service. Public officials and employees shall at all times be accountable to the people and shall discharge their duties with utmost responsibility, integrity, competence, and loyalty, act with patriotism and justice, lead modest lives, and uphold public interest over personal interest";

WHEREAS, R.A. No. 6713, Section 4 (a), also provides: "Commitment to public interest. - Public officials and employees shall always uphold the public interest over and above personal interest. All government resources and powers of their respective offices must be employed and used efficiently, effectively, honestly and economically, particularly to avoid wastage in public funds and revenues";

WHEREAS, R.A. No. 6713, Section 7 (a), further provides: "Prohibited Acts and Transactions. - In addition to acts and omissions of public officials and employees now prescribed in the Constitution and existing laws, the following shall constitute prohibited acts and transactions of any public official and employee and are hereby declared to be unlawful: (a)

Financial and material interest. – Public officials and employees shall not, directly or indirectly, have any financial or material interest in any transaction requiring the approval of their office”;

WHEREAS, Republic Act No. 7160, otherwise known as the Local Government Code of 1991, Section 60 (c) and (h), provides: “Grounds for Disciplinary Actions. – An elective local official may be disciplined, suspended, or removed from office on any of the following grounds: (c) dishonesty, oppression, misconduct in office, gross negligence, or dereliction of duty; (h) such other grounds as may be provided in this Code and other laws”;

WHEREAS, in an 18 September 2007 news article in the *Philippine Daily Inquirer* entitled, “COA asks 6 Manila dads to return allowances,” six Manila councilors allegedly received nearly P10 million out of the city government’s public funds as a “monetary reward” for serving three consecutive terms;

WHEREAS, among the six councilors were allegedly incumbent councilors Luciano “Lou” Veloso, Jocelyn Dawis-Asuncion, Marlon Lacson, and Monina “Pipay” Silva, who reportedly received the money on behalf of her late husband, former councilor Hilarion “Popoy” Silva; the other two were allegedly former councilors Abraham Cabochan and Julio Logarta Jr.;

WHEREAS, all six served in Manila’s *sangguniang panlungsod* for three consecutive terms from 1995 to 2004;

WHEREAS, the six allegedly received over P1.6 million, out of a total amount of P3 million each, as “initial payment” after they qualified for the Exemplary Public Service Award (Epsa) in 2005;

WHEREAS, the Epsa was reportedly created by the *sangguniang panlungsod* through Ordinance No. 8040, enacted on 7 December 2000; the ordinance purportedly authorized “the conferment of an exemplary public service award on elective local officials of Manila who have been elected for three consecutive terms in the same position”;

WHEREAS, the ordinance reportedly covered the mayor, vice mayor, and councilors;

WHEREAS, the ordinance purportedly stipulated that qualified officials would receive “a plaque of appreciation, retirement and gratuity pay remuneration equivalent to the actual time served in the position”;

WHEREAS, former mayor Lito Atienza allegedly approved the ordinance creating the Epsa; former vice mayor and city council presiding officer Danilo Lacuna allegedly also vouched for the legality of the ordinance; city council secretary Rodolfo Lapid allegedly certified that the expenses were lawful and necessary; city accountant Gloria Quilantang allegedly attested to the completeness and propriety of the documents supporting the monetary award; city budget officer Alicia Mosyca was also allegedly involved in the disbursement of public funds for the purpose;

WHEREAS, after the release of the money to the six “awardees,” an audit observation memorandum (AOM) reportedly by supervising city auditor Gabriel Espina stated that “verification of the payment showed that the grant of monetary reward to former elective officials in the form of retirement and gratuity pay was approved and authorized by the city council without legal basis”;

WHEREAS, based on the AOM, Commission on Audit (COA) Director Elizabeth Zosa reportedly issued on 24 May 2006 a notice of disallowance ordering the six councilors to each return the P1.6 million they had received;

WHEREAS, despite the COA notice, a certification from city accountant Ma. Lourdes Manlulu reportedly stated that none of the six “awardees” has complied with the notice;

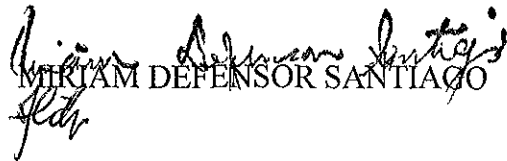
WHEREAS, the six “awardees” have allegedly filed with the City Auditor’s Office a motion to lift the notice of disallowance;

WHEREAS, according to the *Inquirer* report, incumbent councilor Luciano “Lou” Veloso allegedly confirmed he had received the money, saying, “There’s nothing wrong with it. My talent fee is even bigger than the amount I received. It is a big help to us councilors. Because of our meager salaries, most of us end up spending our own money to help people who come to us”;

WHEREAS, the grant of a monetary reward to the six councilors for serving three consecutive terms pursuant to a city ordinance, if true, is patently without legal basis; the ordinance is *ultra vires* for being in violation of existing laws, and, consequently, all those who received a monetary award pursuant to its provisions must return the amount to the Manila city government or face criminal prosecution; all future disbursements pursuant to the ordinance or any other ordinance of the same tenor must be disallowed;

WHEREFORE, be it hereby resolved by the Philippine Senate to direct the proper Senate committee to conduct an inquiry, in aid of legislation, on the alleged receipt by six Manila councilors of P1.6 million each from the public coffers and pursuant to a city ordinance, purportedly as reward for serving three consecutive terms, to determine the liability of the public officials involved and to refer them to the Ombudsman for criminal prosecution and possible suspension and eventual removal from office.

Adopted,

  
MIRIAM DEFENSOR SANTIAGO

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