

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



Senate
Office of the Secretary

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SENATE

S. NO. 633

RECEIVED BY: *ja*

Introduced by Senator Antonio "Sonny" F. Trillanes IV

EXPLANATORY NOTE

Article II, Section 28 of the 1987 Constitution declares that subject to reasonable conditions prescribed by law, the State adopts and implements a policy of full disclosure of all its transactions involving public interest. In response to this, this bill seeks to provide for the creation of a single, searchable Internet website that retains and displays data and information on the local government units' annual revenues, expenditures, and total bonded indebtedness. With the supervision of the Department of Interior and Local Government and the assistance of the Commission on Information and Communications Technology, the Municipal or City Treasurer shall design and develop a local government public finance website, and to maintain and operate the site, without charge, every fiscal year.

The bill, establishes an accessible, user-friendly source of information to track local revenues and expenditures and to gauge the local government units' past and present levels of bonded indebtedness. Furthermore, this legislation helps facilitate transparency and accountability in governance and in the bureaucracy, identifying waste, and eliminating abuse at the local level. It is hoped that this bill will empower local residents by reinforcing their right to follow the allocation and spending of their hard-earned taxes, and hold their local leaders responsible for every fiscal transaction in their behalf.

In view of the foregoing, approval of this measure is earnestly sought.

ANTONIO "SONNY" F. TRILLANES IV
Senator



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Introduced by Senator Antonio "Sonny" F. Trillanes IV

AN ACT
PROMOTING TRANSPARENCY IN GOVERNMENT BY ESTABLISHING A
LOCAL GOVERNMENT FINANCE WEBSITE

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

1 **SECTION 1. Short Title.** – This Act shall be known as the “*Government*
2 *Transparency Act of 2013.*”

3
4 **SEC. 2. Definition of Terms.** – For the purposes of this Act, the following terms
5 have the following meaning:

- 6 1. “searchable website” shall mean an Internet website that allows the general public
7 to search and aggregate data and information. The term shall include requirements
8 that the website offer the general public the ability to search and display data, and
9 ascertain the total amounts of:
- 10 a. Revenues and expenditures of funds established within the local government
11 treasury;
- 12 b. Compensation paid to public employees of local government agencies; and
- 13 c. Bond debt as specified in this Act, in an aggregate or summary form in a
14 manner determined by the Municipal or City Treasurer, in consultation with
15 the Department of Interior and Local Government, hereinafter referred to as
16 the DILG, and the Commission on Information and Communications
17 Technology, hereinafter referred to as the CICT.

1 2. "local government agency" or "agency" shall mean any of the principal
2 departments in the Executive Branch and any division, board, bureau, office,
3 commission, or other instrumentality within or created by such principal department;
4 the Municipal or City Government and any office, board, bureau, or commission
5 within or created by the Municipal or City Government; and any independent State
6 authority, commission, instrumentality, or agency.

7
8 **SEC. 3. Public Finance Website. –**

9 1. The Municipal or City Treasurer, with the supervision of the DILG, and in
10 consultation with the CICT, shall design, develop, and maintain a single, searchable
11 Internet website that is accessible to the general public without charge and that
12 includes data and information on the following:

13 a. annual agency expenditures, as determined by the Municipal or City Treasurer
14 and as available within the accounting system and municipal or city payroll
15 system, which shall include but not be limited to:

16 (1). disbursements by an agency from funds established within the
17 municipal or city treasury;

18 (2). bond debt services including, but not limited to, amounts of bond debt
19 or interest paid and sources of funds for bond issues;

20 (3). salaries and wages including, but not limited to, compensation paid to
21 employees of local government agencies;

22 (4). contractual service purchases including, but not limited to, amounts
23 paid to vendors;

24 (5). commodity purchases including, but not limited to, amounts paid to
25 vendors;

26 (6). capital outlay and improvements including, but not limited to, amounts
27 paid to vendors;

28 (7). aid to local units of government including, but not limited to, amounts
29 paid to individual units of local government for aid programs; and

1 (8). additional forms of assistance and benefits deemed relevant by the
2 Municipal or City Treasurer.

3 b. annual local revenues, as determined by the Municipal or City Treasurer and as
4 available within the central accounting system, which shall include but not be
5 limited to:

6 (1). receipts and deposits by any State agency into funds established within
7 the State treasury;

8 (2). taxes including, but not limited to, compulsory contributions imposed
9 by the State for the purpose of financing services;

10 (3). agency earnings including, but not limited to, amounts collected by
11 each agency for merchandise sold, services performed, licenses, and permits
12 issued, or regulation;

13 (4). revenue for the use of money and property including, but not limited to,
14 amounts received for compensation for the use of State-owned money and
15 property;

16 (5). gifts, donations, and federal grants including, but not limited to,
17 amounts received from public and private entities to aid in support of a
18 specific function or other governmental activity;

19 (6). other revenue including, but not limited to, receipts not classified
20 elsewhere; and

21 (7). non-revenue receipts including, but not limited to, all receipts that do
22 not constitute revenue.

23 c. annual local government bonded indebtedness, as determined by the Municipal
24 or City Treasurer and as available within the central accounting system, which
25 shall include but not be limited to:

26 (1). amount of the total original obligation stated in terms of principal and
27 interest;

28 (2). term of the obligation;

29 (3). source of funding for repayment of the obligation;

1 (4). amounts of principal and interest previously paid to reduce the
2 obligation;

3 (5). remaining balance of the obligation;

4 (6). data and information related to refinancing of the obligation; and

5 (7). cited statutory or constitutional authority to issue such bonds.

6 d. any other data or information specified by the Municipal or City Treasurer after
7 consulting with and seeking the advice of the CICT.

8 2. The public finance website shall include all data and information enumerated in
9 subsection a. of this section for each fiscal year. Such data and information posted on
10 the website may be periodically updated, but shall not be subject to removal.

11 3. All data and information that is available in the accounting and local payroll
12 systems shall be made available on the public finance website as soon as practicable,
13 but not later than forty-five (45) days after the last day of the preceding fiscal year.

14 4. The Municipal or City Treasurer shall develop policies and procedures to make
15 data and information available from any other source.

16 5. Notwithstanding any other law to the contrary, the State Treasurer shall not be
17 required to provide data and information on the public finance website that is not
18 available in the central accounting system and the State payroll system at the time of
19 the website's initial implementation.

20 6. All municipal or city offices are directed to cooperate with the Municipal or City
21 Treasurer, and the CICT in compiling the data and information necessary to comply
22 with the provisions of this act.

23 7. Nothing in this act shall require the disclosure of information deemed private,
24 personal, or confidential by national law.

25
26 **SEC. 4. Implementing Rules and Regulations.** – The Department of Interior and
27 Local Government shall, within sixty (60) days after the approval of this Act, prepare and
28 issue the necessary guidelines to implement the same.

29

1 **SEC. 5. *Separability Clause.*** If any provision or part hereof is held invalid or
2 unconstitutional, the remainder of the law or the provision not otherwise affected shall
3 remain valid and subsisting.

4
5 **SEC. 6. *Repealing Clause.*** Any law, presidential decree or issuance, executive
6 order, letter of instruction, administrative order, rule or regulation contrary to, or
7 inconsistent with, the provisions of this Act, is hereby repealed, modified, or amended
8 accordingly.

9
10 **SEC. 7. *Effectivity Clause.*** This Act shall take effect fifteen (15) days after its
11 complete publication in the *Official Gazette* or in at least two (2) newspapers of general
12 circulation.

Approved,