

SIXTEENTH CONGRESS OF THE
REPUBLIC OF THE PHILIPPINES
Third Regular Session

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Senate
Office of the Secretary

'15 DEC 14 P4:40

RECEIVED BY: 

SENATE

COMMITTEE REPORT NO. 337

Submitted by the Committees on Electoral Reforms and People's
Participation; and Ways and Means on DEC 14 2015.

Re: Senate Bill No. 2940.

Recommending its approval with amendments.

Sponsor: Senator Pimentel III

MR. PRESIDENT:

The Committees on Electoral Reforms and People's Participation; and
Ways and Means, to which were referred Senate Bill No. 2940 introduced by
Senator Pimentel III, entitled:

**AN ACT
AMENDING SECTION 13 OF REPUBLIC ACT NO. 7166, OTHERWISE KNOWN AS
"AN ACT PROVIDING FOR SYNCHRONIZED NATIONAL AND LOCAL ELECTIONS
AND FOR ELECTORAL REFORMS, AUTHORIZING APPROPRIATIONS THEREFOR,
AND FOR OTHER PURPOSES"**

have considered the same and have the honor to report it back to the Senate with the recommendation that Senate Bill No. 2940 be approved with the following amendments; to wit:

1. On page 1, line 7 – after the word "shall" delete the phrase "be as follows" and in lieu thereof insert the phrase "**ONLY BE UP TO THE FOLLOWING**";

2. On page 2, line 8 – after the phrase "**CANDIDACY IS FILED;**" add the conjunction "**AND**";

3. On page 2, line 13 – after the word "candidates" delete the brackets "]]" that enclosed the period mark "." including the semi-colon punctuation mark ";" and the conjunction "AND";

4. On page 2, lines 15 to 20 – delete the entire sub-paragraph (C) which reads as follows:

"(C) FOR CANDIDATES WITHOUT ANY POLITICAL PARTY OR WITHOUT SUPPORT FROM ANY POLITICAL PARTY, – TEN PESOS (P10.00) FOR EVERY VOTER CURRENTLY REGISTERED IN THE CONSTITUENCY WHERE THE CERTIFICATE OF CANDIDACY IS FILED."

Respectfully submitted:

Chairpersons



SONNY ANGARA
Committee on Ways and Means



AQUILINO "KOKO" PIMENTEL III
*Committee on Electoral Reforms and
People's Participation
Member, Committee on Ways and
Means*

Vice-Chairpersons

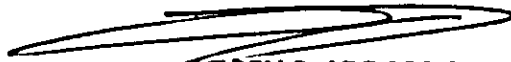
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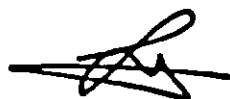


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*Senate President
Senate of the Philippines*

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



15 SEP -8 1932

SENATE
S. B. No. 2940

SEP 15 1932 - J

Introduced by Senator Aquilino "Koko" Pimentel III

**AN ACT
AMENDING SECTION 13 OF REPUBLIC ACT NO. 7166,
OTHERWISE KNOWN AS "AN ACT PROVIDING FOR
SYNCHRONIZED NATIONAL AND LOCAL ELECTIONS AND
FOR ELECTORAL REFORMS, AUTHORIZING
APPROPRIATIONS THEREFOR, AND FOR OTHER
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EXPLANATORY NOTE

Republic Act No. 7166, otherwise known as "An Act Providing for Synchronized National and Local Elections and for Electoral Reforms, Authorizing Appropriations Therefor, and for Other Purposes," which took effect in 1991, limits the campaign expenditure to P10.00 for President and Vice-President, P5.00 for political parties and independent candidates, and P3.00 for other candidates.

For twenty four years, the amounts limiting the expenses of candidates and political parties remained the same. Consequently, candidates had difficulty in trying to limit their spending in accordance with law because prices of materials and their printing and reproduction, mass media advertisements (which are now allowed), transportation, and other operational expenses have noticeably increased in the past two decades.

According to the Bangko Sentral ng Pilipinas, there was a 259.5% increase in prices of commodities from 1991 to 2015. The value of P1.00 in 1991 is now equivalent to P3.60. Also, the National Economic and Development Authority projected that the P3.00 used for election-related spending in 1991 is equivalent to P9.10 in 2016. These amounts show that the allowable limits for campaign spending are really outdated, most especially for local candidates who cannot take

advantage of "economies of scale" in their purchase of materials, printing requirements, and even mass media placements.

A concrete proof that candidates are struggling to spend within the allowable amounts provided by law is the fact that, as of July 2015, the Commission of Elections (COMELEC) is probing 1,400 cases of election campaign overspending. COMELEC also announced that it is set to file cases for overspending in courts against thirty-six (36) local candidates. In fact, COMELEC disqualified Laguna Governor Emilio Ramon "E.R." Ejercito for incurring campaign expenses of more than P6 Million for television advertisements alone when he was allowed to spend the total amount of only around P4.5 Million considering that the Province of Laguna has a total of 1,525,522 registered voters.

Therefore, the best way to address the concern of our candidates is to increase the amount of their allowable political campaign expenditure.

But the political parties should not be forgotten. Under existing law, they can spend P5.00 per voter in constituencies where they field candidates. The political parties are allowed to spend in order to help their candidates. Hence, local candidates with political parties could tap and should be encouraged to tap the assistance of their political parties. Candidates should be aware of the importance of political parties.

This bill will also be beneficial to the voting public since the increase in the allowable campaign expenditure may lead to better voter's education and awareness of the background and program of government (the "platform") of the candidates.

In sum, the bill provides for the following increases in the authorized aggregate amount for the campaign expenditure of candidates and political parties for every voter currently registered in the constituency where the certificate of candidacy was filed:

- For Candidates with a Political Party or with support from a Political Party:

	Position	From	To
	President	P10.00	P20.00
	Vice-President	P10.00	P15.00
	Senator	P3.00	P3.00
	Member,	P3.00	P3.00

House of Representatives (Party-List System)		
Member,	P3.00	P10.00
House of Representatives (Legislative District)		
Governor, Mayor	P3.00	P10.00
Vice-Governor, Vice-Mayor	P3.00	P8.00
Member,	P3.00	P5.00
Sangguniang Panlalawigan, Sangguniang Panlungsod, Sangguniang Bayan		

- For Political Parties: from P5.00 to P20.00; and
- For Candidates without any Political Party or without support from any Political Party: from P5.00 to P10.00;

As shown above, the respective amounts for single-seat positions are more than the respective amounts for multiple-seat positions. The reason for this is that the chances for winning a multiple-seat position are higher than a single-seat. Consequently, there is a need to spend more on the campaign for single-seat positions as said candidates have to concentrate on reaching out and properly presenting platforms to all constituents.

In addition, the respective amounts for local candidates are more than the respective amounts for national candidates because of the fact that the amounts assigned to the national candidates are multiplied on a nationwide scale by more than fifty million registered voters.

Notwithstanding the amounts provided above, it is the position of the author of this proposed measure that the amount of the allowable campaign expenditure of candidates for barangay elective positions should remain at P3.00 for every registered considering that barangay elections are non-partisan.

The amendment on the last paragraph of *Section 13 of R.A. No. 7166* merely substituted the term "gift tax" with "donor's tax" which is the proper term as used in the *National Internal Revenue Code*, as amended.

In view of the foregoing, the passage of this measure is earnestly requested.


AQUILINO "KOKO" PIMENTEL III

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



15 SEP -8 1932

SENATE
S. B. No. 2940

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Introduced by Senator Aquilino "Koko" Pimentel III

AN ACT
AMENDING SECTION 13 OF REPUBLIC ACT NO. 7166,
OTHERWISE KNOWN AS "AN ACT PROVIDING FOR
SYNCHRONIZED NATIONAL AND LOCAL ELECTIONS AND
FOR ELECTORAL REFORMS, AUTHORIZING
APPROPRIATIONS THEREFOR, AND FOR OTHER
PURPOSES"

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

1 **SECTION 1.** Section 13(a) of Republic Act No. 7166, is hereby
2 amended to read as follows:

3
4 "**Section 13. *Authorized Expenses of Candidates and***
5 ***Political Parties.***—The aggregate amount that a candidate or
6 registered political party may spend for election campaign
7 shall be as follows:

8
9 (a) For candidates. — [Ten pesos (P10.00)] **TWENTY**
10 **PESOS (P20.00)** for President; **FIFTEEN PESOS (P15.00)**
11 **FOR** [and] Vice-President; [and for other candidates] Three
12 pesos (P3.00) for **SENATOR AND PARTY-LIST; FOR**
13 **MEMBER OF THE HOUSE OF REPRESENTATIVES**
14 **REPRESENTING A LEGISLATIVE DISTRICT,**
15 **GOVERNOR, AND MAYOR, TEN PESOS (P10.00)**
16 [every voter currently registered in the constituency where he
17 filed his certificate of candidacy: *Provided, That* a candidate
18 without any political party and without support from any
19 political party may be allowed to spend Five Pesos (P5.00)]

1 for every such voter]; FOR VICE-GOVERNOR AND
2 VICE-MAYOR, EIGHT PESOS (P8.00); FOR MEMBER
3 OF SANGGUNIANG PANLALAWIGAN,
4 SANGGUNIANG PANLUNGSOD, AND
5 SANGGUNIANG BAYAN, FIVE PESOS (P5.00) FOR
6 EVERY VOTER CURRENTLY REGISTERED IN THE
7 CONSTITUTENCY WHERE THE CERTIFICATE OF
8 CANDIDACY IS FILED;
9

10 (b) For political parties. – TWENTY PESOS [Five
11 pesos (P5.00)] for every voter currently registered in the
12 constituency or constituencies where it has official
13 candidates[.]; AND
14

15 (C) FOR CANDIDATES WITHOUT ANY
16 POLITICAL PARTY OR WITHOUT SUPPORT FROM
17 ANY POLITICAL PARTY. – TEN PESOS (P10.00) FOR
18 EVERY VOTER CURRENTLY REGISTERED IN THE
19 CONSTITUTENCY WHERE THE CERTIFICATE OF
20 CANDIDACY IS FILED.
21

22 Any provision of law to the contrary notwithstanding
23 any contribution in cash or in kind to any candidate or
24 political party or coalition of parties for campaign purposes,
25 duly reported to the Commission shall not be subject to the
26 payment of any [gift] DONOR'S tax.”
27

28 SECTION 2. *Separability Clause.* Should any provision of this
29 Act or part hereof be declared unconstitutional, the other provisions or
30 parts not affected thereby shall remain valid and effective.
31

32 SECTION 3. *Repealing Clause.* All laws, decrees, orders, and
33 issuances, or portions thereof, which are inconsistent with the provisions
34 of this Act, are hereby repealed, amended or modified accordingly.
35

36 SECTION 4. *Effectivity Clause.* This Act shall take effect after
37 fifteen (15) days from its publication in two (2) newspapers of general
38 circulation.
39

40 *Approved,*