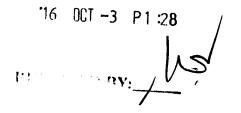
SEVENTEENTH CONGRESS OF THE REPUBLIC OF THE PHILIPPINES

First Regular Session

SENATE S. B. No. <u>1178</u>

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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"

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 every currently registered voter.

For twenty five 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 These amounts show that the allowable limits for campaign spending are really outdated, most especially for local candidates who cannot take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.

That COMELEC filed cases for overspending with courts against thirty-five (35) local candidates for the 2010 and 2013 elections proves that candidates are struggling to spend within the allowable amounts provided by law.

The best way to address the concern of our candidates, especially the local candidates, therefore, is to increase the amount of their allowable political campaign expenditure.

Political parties, however, should not be forgotten. Under existing law, they can spend P5.00 per currently registered 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 measure is in line with the proposed policy to institute reforms in the Philippine political parties to resolve issues of campaign financing, among others, to attain a mature and stable democracy.

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
Member, House of Representatives (Legislative	P3.00	P10.00
District)		
Governor, Mayor	P3.00	P10.00
Vice-Governor, Vice-Mayor	P3.00	P 8.00

- 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.

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. Hence, national candidates benefit from economies of scale.

Notwithstanding the amounts provided above, it is the position of the undersigned that the amount of the allowable campaign expenditure of candidates for barangay elective positions should remain at P3.00 for every registered voter considering that barangay elections are non-partisan, and hence, should be less "bloody" than the other elections.

Finally, 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

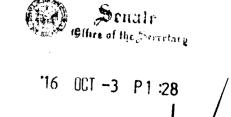
SEVENTEENTH CONGRESS OF THE REPUBLIC OF THE PHILIPPINES

First Regular Session

SENATE S. B. No. 1178

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REPORT RV:

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:

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

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

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(a) For candidates. – [Ten pesos (P10.00)] TWENTY PESOS (P20.00) for President; FIFTEEN PESOS (P15.00) FOR [and] Vice-President; [and for other candidates] Three pesos (P3.00) for SENATOR AND PARTY-LIST; FOR MEMBER OF THE HOUSE OF REPRESENTATIVES REPRESENTING A LEGISLATIVE DISTRICT, GOVERNOR, AND MAYOR, TEN PESOS (P10.00) [every voter currently registered in the constituency where he filed his 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]; FOR VICE-GOVERNOR AND

VICE-MAYOR, EIGHT PESOS (P8.00); FOR MEMBER OF SANGGUNIANG PANLALAWIGAN, SANGGUNIANG PANLUNGSOD, AND SANGGUNIANG BAYAN, FIVE PESOS (P5.00) FOR EVERY VOTER CURRENTLY REGISTERED IN THE CONSTITUENCY WHERE THE CERTIFICATE OF CANDIDACY IS FILED; AND

(b) For political parties. – TWENTY PESOS (P 20.00) [Five pesos (P5.00)] for every voter currently registered in the constituency or constituencies where it has official candidates.

Any provision of 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."

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

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

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

Approved,