EIGHTEENTH CONGRESS OF THE REPUBLIC OF THE PHILIPPINES *First Regular Session* 



19 JUL 30 A9:17

## SENATE S. B. No. <u>826</u>

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Introduced by Senator SONNY ANGARA

### AN ACT

# AMENDING SECTION 6 OF REPUBLIC ACT NO. 1379, OTHERWISE KNOWN AS THE "FORFEITURE LAW", TO PROVIDE A FIXED PERCENTAGE OF THE VALUE OF FORFEITED PROPERTIES IN CORRUPTION CASES AS ADDITIONAL FUNDING FOR THE OFFICE OF THE OMBUDSMAN AND FOR OTHER PURPOSES

#### EXPLANATORY NOTE

Thirty years ago, Hong Kong was considered as one of the most corrupt countries in Asia. It is now perceived as among the least corrupt countries in Asia. World Bank studies conclude that the most important factor in the Hong Kong experience was the establishment of the Independent Commission Against Corruption (ICAC) in 1974. In comparison to the budget allocated to ICAC, the budget of the Office of the Ombudsman and other support anti-graft agencies pales.

The Office of the Ombudsman, armed with a constitutional mandate as the protector of the people, is the country's foremost anti-graft agency. Since 2013, it has received an average of more than 10,000 complaints against erring government officials/employees, with a total case workload of almost 12,000 cases in 2017. However, the Office of the Ombudsman is hindered to fulfill its mandate of combating corruption due to funding and resource limitations. Furthermore, with the disposition of cases going at a snail's pace, corruption continues to go unhampered leading to massive losses in government revenue which remain unaccounted for.

The proposed measure intends to aid the Office of the Ombudsman in the fulfillment of its mandate by augmenting the financial resources of the Ombudsman. It seeks to provide more funding to the Ombudsman by giving it a share in any property forfeited in favor of the State under Republic Act No. 1379, otherwise known as the "*Forfeiture Law*". This bill also seeks to augment the lack of personnel

of the Ombudsman. Once passed into law, this bills also aims to ensure additional funding to the Ombudsman and therefore eliminate the need to reallocate funding from a stretched national budget.

It will provide a mechanism wherein thirty percent (30%) of the value of forfeited assets shall be used as funding for the Ombudsman that will assist the continued progress of cases. The percentage method will also ensure that the additional funding to the Ombudsman shall not lead to a loss for the government. The earmarking of a fixed percentage of the value of the forfeited properties in corruption cases will strengthen the Office of the Ombudsman especially so in their drive to combat corruption more efficiently and effectively. Particularly, the additional funds can help to further capacitate its lawyers especially on investigation activities.

The delivery of justice to our people, especially when the hard-earned money they pay for taxes is being misused by unscrupulous officials, can only be achieved when we arm the appropriate government agencies with the resources for this.

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

SONNY ANGARA

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

1 Section 1. Section 6 of Republic Act No. 1379 is hereby amended to read as 2 follows:

"Section 6. Judgment. – If the respondent is unable to show to the 3 satisfaction of the court that he has lawfully acquired the property in 4 question, then the court shall declare such property, forfeited in favor of 5 the State, and by virtue of such judgment the property aforesaid shall 6 become property of the State: *Provided*, That **THIRTY PERCENT (30%)** 7 OF THE VALUE OF SUCH PROPERTY FORFEITED IN A FINAL AND 8 EXECUTORY ORDER OF THE COURT SHALL BE EARMARKED AS 9 ADDITIONAL FUNDING IN FAVOR OF THE OFFICE OF THE 10 OMBUDSMAN: PROVIDED, FURTHER, THAT IF THE PROPERTY IS 11 NOT IN CASH IT MAY BE SOLD AT PUBLIC AUCTION AND THE 12 PROCEEDS THEREOF, AFTER DEDUCTING THE THIRTY PERCENT 13 (30%) FOR THE OFFICE OF THE OMBUDSMAN, SHALL ACCRUE TO 14 THE GENERAL FUND. [n] No judgment shall be rendered within six 15

1 months before any general election or within three months before any 2 special election. The Court may, in addition, refer this case to the 3 corresponding Executive Department for administrative or criminal action, 4 or both."

5 Sec. 2. *Separability Clause.* – If any portion or provision of this Act is 6 subsequently declared invalid or unconstitutional, other provisions hereof which are 7 not affected thereby shall remain in full force and effect.

8 Sec. 3. *Repealing Clause.* – All other laws, acts, presidential decrees, 9 executive orders, presidential proclamations, issuances, rules and regulations, or 10 parts thereof which are contrary to or inconsistent with any of the provisions of this 11 Act are hereby repealed, amended, or modified accordingly.

12 Sec. 4. *Effectivity.* – This Act shall take effect fifteen (15) days after its 13 publication in the *Official Gazette* or in a newspaper of general circulation.

Approved,

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