



S E N A T E

S. No. 2982

(In substitution of Senate Bill Nos. 1996, 2111, and 2659)

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PREPARED BY THE COMMITTEE ON JUSTICE AND HUMAN RIGHTS WITH  
THE COMMITTEE ON FINANCE WITH SENATORS ZUBIRI, VILLANUEVA,  
GO, TULFO, AND PIMENTEL III AS AUTHORS THEREOF

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AN ACT DEFINING THE SCOPE AND EXTENT OF THE  
FISCAL AUTONOMY OF THE JUDICIAL BRANCH OF  
THE GOVERNMENT AND FOR OTHER PURPOSES

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

1           SECTION 1. *Short Title.* – This Act shall be known as  
2   “The Judiciary Fiscal Autonomy Act”.

3           SEC. 2. *Declaration of Policy.* – It is hereby declared the  
4   policy of the State to affirm and strengthen the Constitutional  
5   mandate and powers of the Judiciary as a co-equal branch of  
6   government. To this end, the State affirms and strengthens the  
7   fiscal autonomy of the Judiciary enshrined in the Constitution,

1    which declares that the appropriations for the Judiciary may not  
2    be reduced below the amount appropriated for the previous year  
3    and, after approval by Congress, shall be automatically and  
4    regularly released.

5           SEC. 3. *Submission of Annual Budget Proposal.* – The  
6    Supreme Court shall submit to the Department of Budget and  
7    Management (DBM) the annual budget proposal for the  
8    Judiciary, detailing its budget of expenditures and sources of  
9    financing (BESF), and reflecting total revenues and expenses:  
10   *Provided,* That the original budget proposal prepared by the  
11   Supreme Court shall be included as an attachment to the  
12   National Expenditure Program (NEP): *Provided, further,* that the  
13   DBM may submit its comments and recommendations thereon.

14          SEC. 4. *Augmentation, Modification, Automatic*  
15   *Release, and Post-Audit.* – Upon the approval of the total  
16   budget for the Judiciary:

17          (a) The Chief Justice is authorized to augment any  
18   item for the Judiciary in the general appropriations law  
19   from savings in other items appropriated for the Judiciary.

(b) The Chief Justice, through an en banc resolution, may modify the allotment within the same activity or project: (1) from one allotment class to another, except capital outlays; or (2) from one operating unit to another.

(c) The DBM shall automatically release to the Supreme Court, without need for any request, the monthly cash requirements of the Judiciary or one-twelfth (1/12) of the total budgetary support. The releases shall not be conditioned on approved work and financial plans, or any other financial report. The Supreme Court shall submit quarterly accomplishment and financial reports to the President and to Congress.

(d) All expenditures and revenues of the Judiciary shall be subject to post-audit by the Commission on Audit (COA), under pertinent laws, rules, and regulations.

SEC. 5. *Judiciary Trust Fund*. – In lieu of the Judiciary Development Fund (JDF) under Presidential Decree No. 1949, there is hereby created a trust fund dedicated to the use of the Judiciary, to be known as the

1   Judiciary Trust Fund. All the funds collected for or  
2   accruing to the Judiciary may be deposited and kept in the  
3   said trust fund, from which funds needed for its operations  
4   shall be drawn. The Judiciary Trust Fund shall include,  
5   but not be limited to, the following:

6           (a) Such funds as may be appropriated by  
7   Congress for the Judiciary;

8           (b) Legal fees collected by the Judiciary pursuant  
9   to Rule 141 of the Rules of Court, as amended;

10          (c) Existing funds of the JDF; and

11          (d) All interests or income derived from the  
12   Judiciary Trust Fund.

13          The Chief Justice shall administer and allocate the  
14   Judiciary Trust Fund and shall approve and authorize its  
15   disbursements and expenditures, in accordance with the  
16   provisions of this Act and its implementing rules and  
17   regulations. The amounts accruing to the Judiciary Trust  
18   Fund shall be deposited by the Chief Justice or a duly  
19   authorized representative in an authorized government  
20   depository bank.

1 All expenditures and revenues of the Judiciary  
2 Trust Fund shall be subject to post-audit by the COA,  
3 under pertinent laws, rules, and regulations.

4 SEC. 6. *Legal Fees.* –The Supreme Court shall  
5 determine the appropriate level of fees and charges  
6 pursuant to Section 3 of Rule 141 of the Rules of Court, in  
7 accordance with the following policy objectives:

8 (a) Access to justice, especially by the  
9 disadvantaged and poor sectors of society;

10 (b) Internal revenue generation for the Judiciary,  
11 to support its operations; and

12 (C) Capacity to pay of those who avail the services  
13 of the judicial system.

14 SEC. 7. *Creation of Offices and Reorganization of the*  
15 *Administrative Structure.* – The Supreme Court shall  
16 create such offices and reorganize its administrative  
17 structure, both at the national and regional levels, as may  
18 be necessary, for purposes of oversight or operations, to  
19 carry out the purposes of this Act, and to enable additional  
20 functions and responsibilities stated in this Act, within the

1 limit of its available resources.

2 The Supreme Court shall create positions and  
3 allocate the necessary budgetary support for the operations  
4 of such offices. The creation of offices at the regional level  
5 shall be guided by the principle of decentralization of  
6 administrative, financial, and personnel matters, and the  
7 objective to bring court management closer to litigants and  
8 other persons who avail the services of the judicial system.

9 SEC. 8. *Salary and Personnel Administration.* – The  
10 Supreme Court shall have the authority to determine the  
11 number and positions of court personnel necessary for the  
12 operations of the Judiciary, within the limits of the  
13 approved appropriation, guided by constitutional and  
14 legislative policies on hiring and compensation. A copy of  
15 the annual approved staffing pattern of personnel shall be  
16 furnished to the COA and the DBM.

17 The DBM shall act on the request by the Supreme  
18 Court for the issuance of the Notice of Organization,  
19 Staffing, and Compensation Action (NOSCA) for newly  
20 created positions within one hundred twenty (120) days

1 from receipt thereof. In case of failure by the DBM to act  
2 upon such request, the Supreme Court may take  
3 appropriate measures to address the matter, in accordance  
4 with the authority granted to it under this Act.

5 The Supreme Court shall institute measures to  
6 provide sufficient, attractive, and competitive  
7 compensation for judicial and non-judicial personnel to  
8 ensure continuity and sustainability of service, and to  
9 support career development.

10 SEC. 9. *Transfer of Physical Assets.* – Within six (6)  
11 months from the effectivity of this Act, all real and personal  
12 properties not presently titled to the Supreme Court, and which  
13 have been acquired for the Judiciary shall, as far as practicable,  
14 be transferred to the Supreme Court by other national or local  
15 government units, or government-owned or -controlled  
16 corporations, through an appropriate instrument. Thereafter,  
17 the Supreme Court shall exercise ownership, management,  
18 control, and be in charge of the security, maintenance, and  
19 disposition of such properties.

1           SEC. 10. *Implementing Rules and Regulations.* –

2   Within six (6) months from the effectivity of this Act, the  
3   Supreme Court, in consultation with the DBM and the  
4   COA, shall promulgate the rules and regulations necessary  
5   to carry out the intent of this Act.

6           SEC. 11. *Separability Clause.* – If any part or

7   provision of this Act is declared invalid or unconstitutional,  
8   the other parts or provisions not otherwise affected shall  
9   remain valid and effective.

10          SEC. 12. *Repealing Clause.* – All laws, decrees,

11   orders, issuances, rules, and regulations or parts thereof  
12   that are inconsistent with this Act are hereby repealed or  
13   modified accordingly.

14          SEC. 13. *Effectivity.* – This Act shall take effect fifteen

15   (15) days after its publication in the *Official Gazette* or a  
16   newspaper of general circulation.

Approved,