

14th Congress of the Republic)
of the Philippines)
First Regular Session)

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SENATE
SB 1174

RECEIVED BY: 

Introduced by Senator Aquilino Q. Pimentel, Jr.

EXPLANATORY NOTE

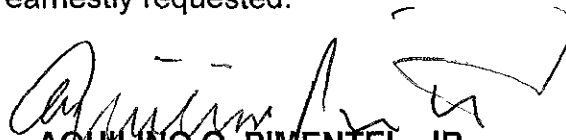
Section 28, Article II of the 1987 Constitution provides that the State adopts and implements a policy of full public disclosure of all its transactions involving public interests.

In the light of the Malacañang-initiated move to substantially slash the Priority Development Assistance Fund of legislators, there is a need for full transparency in the allocation of development funds for members of Congress. Thus, in order to remove all hidden "pork" from the General Appropriations Act, it is necessary to revert the pre-martial law line item budgeting practice and replace the present lump sum budgeting.

This bill proposes the repeal of Presidential Decree No. 1177 otherwise known as "Revising the Budget Process in Order to Institutionalize the Budgetary Innovations of the New Society", as amended, and the re-institution of line-item budgeting as the budgetary process of the National Government, where all programs and projects, together with their specific funding allocations, will appear in the General Appropriations Act after thorough deliberations by Congress.

With this legislative proposal, full transparency in the national budget will be ensured.

Approval of this bill is therefore earnestly requested.


AQUILINO Q. PIMENTEL, JR.

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AN ACT
INSTITUTING LINE ITEM BUDGETING IN THE BUDGETARY PROCESS
OF THE GOVERNMENT, REPEALING FOR THIS PURPOSE
PRESIDENTIAL DECREE 1177, AS AMENDED

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

SECTION 1. Title. — This Act shall be known as the "Line-Item Budgeting Act of 2007."

SECTION 2. Line-Item Budgeting. Upon the approval of this Act, all programs and projects of the National Government, with their respective funding allocations, shall appear in the annual General Appropriations Act.

Corollary to the foregoing, all revenues and funds accruing to the National Government shall be deposited to the National Treasury, and shall be reviewed by the Congress.

SECTION 3. Repeal. — Presidential Decree No. 1177 otherwise known as "Revising the Budget Process in Order to Institutionalize the Budgetary Innovations of the New Society", as amended, and all laws, decrees, executive orders, rules and regulations or parts thereof which are inconsistent with the provision of this Act, are hereby repealed and/or modified accordingly.

SECTION 4. Separability Clause. In case any provision of this Act is declared unconstitutional or invalid, the other provisions hereof which are not affected thereby shall continue in full force and effect.

SECTION 5. Effectivity. — This Act shall take effect thirty (30) days after its publication in two (2) national newspapers of general circulation.