


FOURTEENTH CONGRESS OF THE REPUBLIC }
OF THE PHILIPPINES }
First Regular Session }

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(in substitution of SBN 364)

Prepared by the Committee on Local Government
with Senators Ejercito Estrada and Aquino III as authors thereof

AN ACT
AMENDING SECTION 311 OF REPUBLIC ACT NO. 7160, OTHERWISE KNOWN AS "THE LOCAL GOVERNMENT CODE OF 1991"

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

1 **SECTION 1.** Section 311 of Republic Act No. 7160, otherwise known as "The Local Government
2 Code of 1991", is hereby amended to read as follows:

3 "SEC. 311. *Depository Account.* - Local treasurers shall maintain depository
4 accounts in the name of their respective local government units with banks, [preferably
5 government-owned] **DULY AUTHORIZED BY THE BANGKO SENTRAL NG PILIPINAS**
6 **TO ACCEPT GOVERNMENT DEPOSITS** located in or nearest to their respective areas
7 of jurisdiction: **PROVIDED, THAT IN THEIR CHOICE OF DEPOSITORY BANK**
8 **PRIORITY SHALL BE GIVEN TO GOVERNMENT-OWNED BANKS WITHIN THEIR**
9 **LOCALITIES.** Earnings of each depository account shall accrue exclusively thereto."

10 **SEC. 2. *Repealing Clause.*** - All laws, executive orders, presidential decrees, rules and
11 regulations or parts thereof which are inconsistent with any of the provisions of this Act are hereby repealed
12 or modified accordingly.

13 **SEC. 3. *Effectivity Clause.*** - This Act shall take effect fifteen (15) days after its complete
14 publication in the Official Gazette or in at least two (2) national newspapers of general circulation.

Approved,