

FIFTEENTH CONGRESS OF THE )  
REPUBLIC OF THE PHILIPPINES )  
*First Regular Session* )

OFFICE OF THE SECRETARY

10 JUL -5 P1:22

SENATE

S. B. No. 107

RECEIVED

---

Introduced by Senator FRANCIS G. ESCUDERO

---

### EXPLANATORY NOTE

Public office is a public trust. Government officials and employees are accountable to the public. To ensure that the civil servant does not use her position to enrich herself, it is necessary that we put in place a mechanism which will enable the Government to audit the finances of the civil servant.

One such instrument is the signing of a waiver in favor of the Government which will allow the examination of the civil servant's bank accounts and investments in government bonds. This will aid the Government to recover ill-gotten funds.

With the passage of this bill, transparency of the financial standing of the civil servant will serve as a deterrent to graft and corruption.

Approval of this bill is earnestly sought.

FRANCIS G. ESCUDERO

10 JUL -5 P1:22

SENATE

S. B. No. 107

RECEIVED

---

Introduced by Senator FRANCIS G. ESCUDERO

---

AN ACT  
REQUIRING PUBLIC OFFICIALS AND EMPLOYEES TO  
SUBMIT A WRITTEN PERMISSION OR WAIVER IN FAVOR OF THE  
OMBUDSMAN TO LOOK INTO ALL DEPOSITS OF WHATEVER NATURE  
WITH BANKS OR BANKING INSTITUTIONS BOTH WITHIN AND  
OUTSIDE THE PHILIPPINES INCLUDING INVESTMENT BONDS ISSUED  
BY THE GOVERNMENT OF THE PHILIPPINES, ITS POLITICAL  
SUBDIVISIONS AND INSTRUMENTALITIES AND PROVIDING  
PENALTIES THEREFOR

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

1           **Section 1. Declaration of Policy.** It is hereby declared a policy of the State  
2 for all public officials and employees to be open and transparent in all of their  
3 financial transactions and dealings.  
4

5           **Section 2. Submission of Written Permission or Waiver.** All public officials  
6 and employees, except those who serve in an honorary capacity, shall submit  
7 with the office of the Ombudsman a written permission or waiver in favor of the  
8 Ombudsman to look into all deposits of whatever nature with banks or banking  
9 institutions, both within and outside the Philippines, including investment bonds  
10 issued by the government of the Philippines, its political subdivisions and  
11 instrumentalities.  
12

13           The aforestated written permission or waiver shall be submitted within  
14 thirty (30) days from the date of their assumption of office; Provided, however,  
15 that public officials and employees who are already exercising the functions of  
16 their respective offices upon the effectivity of this Act shall submit the same not  
17 later than thirty (30) days from the effectivity of the Rules and Regulations  
18 implementing the provisions of this Act.  
19

20           **Section 3. Prohibition in Case of Failure or Refusal to Submit Written**  
21 *Permission or Waiver.* Any public official or employee who fails or refuses to  
22 submit such written permission or waiver as required by this Act shall not be  
23 allowed to enter upon, or continue exercising, the functions of her office.  
24

25           **Section 4. Limitation on Use.** Only the Office of the Ombudsman may  
26 obtain or use the written permission or waiver filed under this Act, or any other  
27 information or data obtained as a result thereof; *Provided, however,* that the same

1 shall be used exclusively for investigating a duly signed and verified complaint  
2 and/or prosecuting a case before the Sandiganbayan; *Provided further*, that the  
3 Office of the Ombudsman or any other agency or instrumentality of the  
4 Government or any person may not use the same for any purpose.

5  
6 **Section 5. *Promulgation of Rules and Regulations.*** The Office of the  
7 Ombudsman shall have the primary responsibility for the administration of this  
8 Act; *Provided, however*, that it shall enlist the advice of the Department of Justice  
9 and the Banko Sentral ng Pilipinas in drafting the form of the written permission  
10 or waiver as required by the provisions of this Act.

11  
12 **Section 6. *Penalties.***

13 (a) Any person who violates the provisions of Section 3 hereof shall be  
14 punished with a fine not exceeding the equivalent of one (1) year salary or  
15 suspension not exceeding one (1) year, or removal from office and, upon the  
16 discretion of a court of competent jurisdiction, *disqualification to hold public*  
17 *office.*

18  
19 (b) Any person who violates the provisions of Section 4 hereof shall be  
20 punished with imprisonment of not exceeding six (6) years or a fine not  
21 exceeding One Hundred Thousand Pesos (P 100,000.00) or both.

22  
23 **Section 7. *Separability Clause.*** In the event any portion or provision of this  
24 Act is declared unconstitutional, the remainder of this Act or any provisions not  
25 affected thereby shall remain in force and in effect.

26  
27 **Section 8. *Repealing Clause.*** The relevant provisions of Republic Act Nos.  
28 1405, 3019, 6713 as well as all laws, decrees and orders or parts thereof  
29 inconsistent herewith are deemed repealed or modified accordingly.

30  
31 **Section 9. *Effectivity.*** This Act shall take effect 15 days after its complete  
32 publication in at least two (2) newspapers of national circulation.

*Approved,*