


FOURTEENTH CONGRESS OF THE REPUBLIC )  
OF THE PHILIPPINES )  
Second Regular Session )

8 OCT -6 2016

SENATE  
S. B. No. 2651

RECEIVED BY: 

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Introduced by Senator Miriam Defensor Santiago

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EXPLANATORY NOTE

The Constitution, Article 2, Sections 27 and 28 provide:

SEC. 27. The State shall maintain honesty and integrity in the public service and take positive and effective measures against graft and corruption.

SEC. 28. Subject to reasonable conditions prescribed by law, the State adopts and implements a policy of full public disclosure of all its transactions involving public interest.

Further, the Constitution, Article 3, Section 7 states:

The right of the people to information on matters of public concern shall be recognized. Access to official records, and to documents and papers pertaining to official acts, transactions, or decisions, as well as to government research data used as basis for policy development, shall be afforded the citizen, subject to such limitations as may be provided by law.

The grant of Government Funding to entities or organizations should be a transparent process so that, taxpayers will have the ability to know exactly how their money is being spent and, with that greater transparency, will come greater accountability.

This bill seeks to statutorily establish and maintain a websites that contains information on all Government financial assistance and expenditures that include grants, contracts, sub-grants, subcontracts, loans, awards, cooperative agreements, purchase

orders, task orders, delivery orders, and other forms of financial assistance accessible to our constituents.

This bill expands upon E-Government management tools by making all Government funding awards, grants, contracts and loans, easily searchable on a public Web site.

This new tool will be a valuable asset in the continuing effort to spend the taxpayers' dollars wisely, without waste and without misuse.

  
MIRIAM DEFENSOR SANTIAGO

FOURTEENTH CONGRESS OF THE REPUBLIC )  
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8 OCT -6 13:00

SENATE  
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AN ACT  
REQUIRING FULL DISCLOSURE OF ALL ENTITIES AND ORGANIZATIONS  
RECEIVING GOVERNMENT FUNDS.

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

SECTION 1. *Short Title.* This Act may be known as the “*Government Funding,  
Accountability and Transparency Act*”.

SECTION. 2. *Definitions.*

( a) ENTITY— Includes, whether for profit or nonprofit the following:

- (1) a corporation;
- (2) an association;
- (3) a partnership;
- (4) a limited liability company;
- (5) a limited liability partnership;
- (6) a sole proprietorship;
- (7) any other legal business entity;
- (8) any other grantee or contractor that is not excluded by

Subparagraph (B) or(C); and

- (9) any Local Government Unit;

But does not include—

- (1) an individual recipient of Government assistance; or
- (2) a Government employee.
- (3) a Government agency or instrumentality

26 (b) GOVERNMENT AWARD.— means Government financial assistance and  
27 expenditures that include grants, contracts, sub-grants, subcontracts, loans,  
28 awards, cooperative agreements, purchase orders, task orders, delivery orders,  
29 and other forms of financial assistance;

30 (c) SEARCHABLE WEBSITE.—The term “searchable website” means a  
31 website that allows the public to—

- 32 (1) search Government funding by any element
- 33 (2) ascertain through a single search the total amount of Government  
34 funding awarded to an entity, by fiscal year; and
- 35 (3) download data required by this Act in the outcome from searches.

36 SECTION 3. *Full Disclosure of Entities Receiving Government Funding.* Not  
37 later than January 1, 2010, the Department of Budget and Management (DBM) shall, in  
38 accordance with Executive Order No. 21 dated April 25, 1936, shall ensure the existence  
39 and operation of a single searchable website, accessible by the public at no cost to access,  
40 that includes for each Government award—

- 41 (a) the name of the entity receiving the award;
- 42 (b) the amount of the award;
- 43 (c) information on the award including transaction type, funding agency,  
44 program source, and an award title descriptive of the purpose of each  
45 funding action;
- 46 (d) the location of the entity receiving the award and the primary location  
47 of performance under the award, including the city, province,  
48 congressional district, and country;
- 49 (e) a unique identifier of the entity receiving the award and of the parent  
50 entity of the recipient, should the entity be owned by another entity;  
51 and
- 52 (f) any other relevant information specified by the Department of Budget  
53 and Management.

54 SECTION 4. *Scope of Data.* The website shall include data for fiscal year 2008,  
55 and each fiscal year thereafter.

56 SECTION 5. *Designation of Agencies.* The President may designate one or more  
57 Government agencies to participate in the development, establishment, operation, and  
58 support of the single website. In the initial designation, or in subsequent instructions and  
59 guidance, the Secretary of the Department of Budget and Management (the Secretary)  
60 may specify the scope of the responsibilities of each such agency.

61 SECTION 6. *Agency Responsibilities.* The Government agencies concerned  
62 shall comply with the instructions and guidance issued by the Secretary as provided in  
63 Section 5 of this Act, and shall provide appropriate assistance to the Department of  
64 Budget and Management upon request, so as to assist it in ensuring the existence and  
65 operation of the single website.

66 SECTION 7. *Use of COA Data.* The website established under this section may  
67 use as additional source of its data the Official website of the Commission on Audit, if all  
68 of these data sources are searchable through the website and can be accessed in a single  
69 search.

70 The website shall not be considered in compliance if it merely hyperlinks to the  
71 official website of the Commission on Audit, or other existing websites, but the  
72 information elements required in Section 3 cannot be searched electronically by field in a  
73 single search.

74 The website shall provide an opportunity for the public to provide input about the  
75 utility of the site and recommendations for improvements. It shall be updated not later  
76 than 30 days after the grant of any Government award requiring a posting.

77 SECTION 8. *Pilot Program.* Not later than July 1, 2009, the Secretary shall  
78 commence a pilot program to test the collection and accession of data about sub-grants  
79 and subcontracts; and determine how to implement a sub-award reporting program,  
80 which includes the following:

- 81 (a) a reporting system under which the entity issuing a sub-grant or subcontract is  
82 responsible for fulfilling the sub-award reporting requirement; and
- 83 (b) a mechanism for collecting and incorporating agency and public feedback on  
84 the design and utility of the website.

85 The pilot program under this section shall terminate not later than January 1,  
86 2010.

87 SECTION 9. *Reporting of Sub-awards.* Except as provided in Section 8 of this  
88 Act, but not later than January 1, 2010, the Department of Budget and Management shall  
89 ensure the following:

90 (a) that data regarding sub-awards are disclosed in the same manner as  
91 data regarding other Government awards, as required by this Act; and

92 (b) that the method for collecting and distributing data about sub-awards:

93 (1) minimizes burdens imposed on Government award recipients  
94 and sub-award recipients;

95 (2) allows Government award recipients and sub-award recipients  
96 to allocate reasonable costs for the collection and reporting of sub-award  
97 data as in direct costs; and

98 (3) establishes cost-effective requirements for collecting sub-award  
99 data under block grants, formula grants, and other types of assistance from  
100 the National Government and local Government Units.

101 SECTION 10. *Construction.* Nothing in this Act shall prohibit the Department of  
102 Budget and Management from including in the website access to data that is publicly  
103 available in any other Government data base.

104 SECTION 11. *Reporting.* The Department of Budget and Management shall  
105 submit to the Legislative Budget Research and Monitoring Office (LBRMO) of the

106 Senate an annual report regarding the implementation of the website established under  
107 this Act which shall contain the following:

108 (a) data regarding the usage and public feedback on the utility of the site  
109 including recommendations *for improving data quality and collection*;

110 (b) an assessment of the reporting burden placed on Government award  
111 and sub-award recipients; and

112 (c) an explanation of any extension of the sub-award reporting deadline,  
113 if applicable.

114 SECTION 12. *Publication.* The Department of Budget and Management shall  
115 make each report submitted under the preceding paragraph publicly available on the  
116 website established under this Act.

117 SECTION 13. *Classified Information.* Nothing in this Act shall require the  
118 disclosure of classified information as may be defined by law.

119 SECTION 14. *Appropriations.* – To carry out the provisions of this Act, such  
120 amount as hereby necessary is hereby authorized to be appropriated from the National  
121 Treasury.

122 SECTION 15. *Separability Clause.* – If any provision or part thereof, is held  
123 invalid or unconstitutional, the remainder of the law or the provision not otherwise  
124 affected shall remain valid and subsisting.

125 SECTION 16. *Repealing Clause.* – Any law, presidential decree or issuance,  
126 executive order, letter of instruction, administrative order, rule or regulation contrary to,  
127 or inconsistent with the provisions of this Act is hereby repealed, modified or amended  
128 accordingly.

129 SECTION 17. *Effectivity Clause.* – This Act shall take effect fifteen (15) days  
130 after its publication in at least two (2) newspapers of general circulation.

131 Approved.