Republic of the Philippines HOUSE OF REPRESENTATIVES Quezon City

EIGHTEENTH CONGRESS First Regular Session





Introduced by Representative PABLO JOHN F. GARCIA

EXPLANATORY NOTE

The mandated campaign expenses have to be updated to reflect inflation and the eroded purchasing power of the Philippine peso. For almost three decades, the allowable expenditures by candidates and political parties have not changed since the enactment of Republic Act No. (RA) 7166 in 1991.

RA 7166 increased the campaign expenses a candidate in an election is to spend from the one peso and fifty centavo every voter provided by Batas Pambansa Blg. 881 (Omnibus Election Code of the Philippines) to Three pesos (P3.00). Similarly, campaign expenses of candidates without any political party/without support from any political party and political parties are allowed to spend Five Pesos (P5.00) per voter. Candidates for President and Vice President, on the other hand, are allowed a larger sum of Ten pesos (P10.00).

Twenty five years later, these figures have yet to be updated to reflect inflation and the eroded purchasing power of the Philippine Peso. The limitations hinder candidates from launching campaigns that could reach even the most remote of places in the country, for fear of running afoul with the law.

This bill seeks to amend RA 7166 in order to increase the allowable campaign expenditures of candidates and political parties to realistic amounts that reflect the current cost of goods and services during the election year. It aims to accurately reflect the current economic landscape and allow candidates to pay the full and fair price of the goods and services they wish to engage. It will likewise allow candidates to make the most of their resources to effectively communicate their platforms and ideas to majority of their constituents.

In view of the foregoing, approval hereof is earnestly sought.

PABNO/JOHN F. GARCIA

Republic of the Philippines HOUSE OF REPRESENTATIVES Quezon City

EIGHTEENTH CONGRESS First Regular Session

2275

House Bill No. _____

Introduced by Representative PABLO JOHN F. GARCIA

AN ACT

AMENDING REPUBLIC ACT NUMBERED 7166 TO MAKE ELECTION EXPENSE LIMITATIONS MORE REASONABLE BY PERIODICALLY ADJUSTING THEM FOR INFLATION

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

Section 1. Section 13 of Republic Act No. 7166 is hereby amended to read as follows:

- "Section 13. <u>Authorized Expenses of Candidates and Political Parties</u>. [The agreement amount that a candidate or registered political party may spend for election campaign shall be as follows:
- (a) For candidates. Ten pesos (P10.00) for President and Vice-President; and for other candidates Three Pesos (P3.00) for every voter currently registered in the constituency where he filed his certificate of candidacy: Provided, That a candidate without any political party and without support from any political party may be allowed to spend Five Pesos (P5.00) for every such voter; and
- (b) For political parties. Five pesos (P5.00) for every voter currently registered in the constituency or constituencies where it has official candidates.]

THE MAXIMUM ALLOWABLE ELECTION EXPENSES OF ANY CANDIDATE OR POLITICAL PARTY, OR MAXIMUM ALLOWABLE CONTRIBUTIONS OF ANY CONTRIBUTOR, SHALL BE PERIODICALLY ADJUSTED FOR INFLATION BASED ON THE PRICES DURING THE YEAR FOLLOWING THE EFFECTIVITY OF THIS ACT.

Any provision of law to the contrary notwithstanding any contribution in cash or in kind to any candidate or political party or coalition of parties for campaign purposes, duly reported to the Commission shall not be subject to the payment of any gift tax."

- Sec. 2. The Commission on Elections shall, in coordination with the National Economic and Development Authority, issue the rules and regulations necessary to implement this Act, and shall promulgate the maximum election expenses for every election not less than three (3) months from the start of the campaign period.
- Sec. 3. Any law, rule or regulation inconsistent with this Act is hereby modified or repealed accordingly.
- Sec. 4. This Act shall take effect fifteen (15) days after the completion of its publication in the Official Gazette or in any newspaper of general circulation.

Approved,