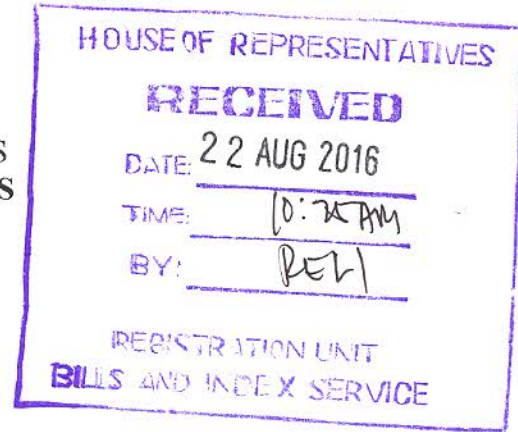


REPUBLIC OF THE PHILIPPINES  
HOUSE OF REPRESENTATIVES  
Quezon City

SEVENTEENTH CONGRESS  
First Regular Session

House Bill No. 3155



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Introduced by **MAGDALO Party-List Representative**  
**HON. GARY C. ALEJANO**

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**Explanatory Note**

Public office is a public trust. The Constitution puts emphasis in promoting and maintaining integrity and honesty in public service, and the repression of acts of public officers and private persons which constitute or lead to graft and corrupt practices. This implies government's responsibility to take positive and effective measures against graft and corruption.

The "Bank Secrecy Deposits Law", otherwise known as Republic Act No. 1405 was enacted in 1955, for purposes of encouraging people to deposit their finances in banking institutions and discourage private holding so that the same may be properly managed and utilized by the financial sector for the growth and development of the country's economic activity.

Under this law, all deposits are absolutely confidential and may not be inquired or looked into except upon permission of the depositor, in cases of impeachment, upon order of a competent court in cases of bribery or dereliction of duty, and in cases where the money deposited or invested is the subject matter of litigation.

However, this provision of the law prohibiting the disclosure of or inquiry to bank deposits had been exploited time and again to hamper and stall investigations of government officials and employees suspected of enriching themselves while in public office.

Hence, this measure seeks to exclude government officials and employees, whether elected or appointed, from the coverage of the Bank Secrecy Law so that law enforcement authorities will be equipped with the tools needed to go after crooks in government.

In view of the foregoing, approval of this measure is earnestly sought.

  
HON. GARY C. ALEJANO

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**AN ACT**  
**TO AMEND SECTION 2 OF REPUBLIC ACT NO. 1405 OTHERWISE KNOWN AS**  
**"THE SECRECY OF BANK DEPOSITS LAW," EXEMPTING GOVERNMENT**  
**OFFICIALS AND EMPLOYEES FROM THE PROHIBITION AGAINST DISCLOSURE**  
**OF OR INQUIRY INTO DEPOSITS WITH ANY BANKING INSTITUTION AND FOR**  
**OTHER PURPOSES**

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

1       **SECTION 1.** Section 2 of Republic Act No. 1405, otherwise known as the  
2       "Secrecy of Bank Deposits Law" is hereby amended to read as follows:

3               "Section 2. All deposits of whatever nature with banks or banking  
4       institutions in the Philippines including investments in bonds issued by the  
5       Government of the Philippines, its political subdivisions and its  
6       instrumentalities, are hereby considered as of an absolutely confidential nature  
7       and may not be examined, inquired or looked into by any person, government  
8       official, bureau or office, except upon written permission of the depositor, or  
9       in cases of impeachment, or upon order of a competent court in cases of  
10      bribery or dereliction of duty of public officials, or in cases where the money  
11      deposited or invested is the subject matter of the litigation; OR WHEN THE  
12      DEPOSITOR IS AN ELECTIVE OR APPOINTIVE OFFICIAL OR  
13      EMPLOYEE OF THE REPUBLIC OF THE PHILIPPINES INCLUDING  
14      THE OFFICERS AND MEMBERS OF THE ARMED FORCES OF THE  
15      PHILIPPINES (AFP), THE PHILIPPINE NATIONAL POLICE (PNP), AND  
16      ALL MEMBERS OF THE UNIFORMED SERVICES, AND OFFICERS  
17      AND EMPLOYEES OF GOVERNMENT-OWNED AND CONTROLLED  
18      CORPORATIONS AND THEIR SUBSIDIARIES."

19

20       **Sec. 2. Separability Clause.** – If any part of the provision of this Act is hereby  
21      declared unconstitutional or invalid, other provisions hereof which are not affected  
22      thereby shall continue to be in full force and effect.

1           **Sec. 3. *Repealing Clause.*** - All laws, executive orders, decrees, rules and  
2 regulations, or any part thereof inconsistent with the provision of this Act are deemed  
3 repealed or modified accordingly.

4

5           **Sec. 4 *Effectivity.*** – This Act shall take effect fifteen (15) days after its  
6 complete publication in at least two (2) national newspapers of general circulation.

Approved,