

Republic of the Philippines
HOUSE OF THE REPRESENTATIVES
Quezon City

SEVENTEENTH CONGRESS
First Regular Session

HOUSE BILL NO. **3014**

HOUSE OF REPRESENTATIVES

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Introduced by: REP. RODEL M. BATOCABE, REP. ALFREDO A. GARBIN, Jr., REP. CHRISTOPHER S. CO, REP. SHARON S. GARIN, REP. FERNANDO V. GONZALEZ, REP. DEOGRACIAS B. RAMOS JR., REP. JULIETA R. CORTUNA, REP. ARNEL U. TY, REP. ANTHONY M. BRAVO, REP. RICO B. GERON, REP. JOSEPH STEPHEN S. PADUANO, REP. SALVADOR B. BELARO JR., REP. EUGENE MICHAEL B. DE VERA, REP. BENHUR B. LOPEZ JR., REP. BERNADETTE C. HERRERA-DY, REP. TEODORO G. MONTORO, REP. JERICHO JONAS B. NOGRALES, REP. VINI NOLA A. ORTEGA, REP. MICHAEL ODYLON L. ROMERO, REP. HARRY L. ROQUE JR., REP. CARLOS ROMAN L. UYBARRETA, REP. TRICIA NICOLE Q. VELASCO-CATERA, and REP. RON P. SALO

EXPLANATORY NOTE

The Governance Commission for Government-Owned and –Controlled Corporations (GCG) was created in recognition of the potential of GOCCs as significant tools for economic development, with the primary function of overseeing the operations of all the GOCC.

However, instead of piloting the development and growth of GOCCs, the GCG became another bureaucratic layer in the already confounded structure of checks and balances, which takes up valuable time and resources of the GOCC. In fact, for the past six years, GOCCs have been constantly complaining of the additional impositions and requirements laid down by the GCG which hampers their day-to-day operations, thereby placing the GOCCs under the capricious whim and mercy of the GCG.

Prior to the passage of Republic Act 10149, otherwise known as the “GOCC Governance Act of 2011”, all GOCCs were under the direct control and supervision of the Office of the President. In addition, the GOCCs are also answerable to: (1) Congress, which includes, but is not limited to its oversight functions; (2) the Commission on Audit (COA), with respect to all accounts and expenditure of funds and properties of the government; (3) the National Economic and Development Authority (NEDA), in terms of economic development and planning, and joint venture activities; (4) Government Procurement Policy Board (GPPB), with respect to all its procurement projects; and (5) the Office of the Government Corporate Counsel (OGCC), as the statutory counsel of all GOCCs, among others.

In addition, being government employees and officials, the management and work-force of these GOCCs are also kept honest by the various criminal and administrative cases that looms in the background while they perform their respective duties and responsibilities.

Thus, in line with the call of President Rodrigo Roa Duterte in his Budget Message, Fiscal Year: 2017 to eliminate redundant, duplicative, and overlapping functions and

organizations in the Executive Branch, the repeal of R.A. 10149, abolishing the Governance Commission for GOCCs is necessary.

For the foregoing reasons, the passage of this bill is earnestly sought.



REP. RODEL M. BATOCABE



REP. ALFREDO A. GARBIN, JR.



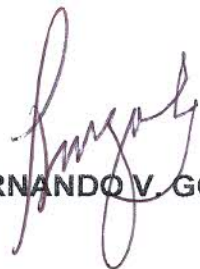
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NICOLE Q. VELASCO-CATERA, and REP. RON P. SALO

1 **AN ACT TO ABOLISH THE GOVERNANCE COMMISSION FOR GOCCs**
2 **REPEALING FOR THE PURPOSE RA 10149 OTHERWISE KNOWN AS “GOCC**
3 **GOVERNANCE ACT OF 2011”**

4
5 *Be it enacted by the Senate and House of Representatives of the Philippines in*
6 *Congress assembled:*

7
8 **Section 1.** The Governance Commission for Government-Owned or -Controlled
9 Corporations (hereinafter referred to as GCG) is hereby abolished.

10 **Section 2.** All officers and employees of the abolished GCG are hereby given two and a
11 half (2½) months salary for each year of service as separation pay.

12 **Section 3.** The functions and duties of the abolished GCG are hereby transferred to the
13 different Departments of the government with the similar functions and duties

14 **Section 4. Implementing Rules and Regulations.** - The Department of Finance, the
15 Department of Budget and Management and the Commission on Audit shall issue the
16 necessary rules and regulations necessary for the full implementation of this Act.

17 **Section 5. Appropriation.** - The necessary funding needed for the payment of the
18 separation benefits provided for in this Act shall be included in the General Appropriations
19 Act for 2017.

20 **Section 6. Separability Clause.** - If any portion or provision of this Act is declared
21 unconstitutional, the same shall not affect the validity and effectivity of the other provisions
22 not affected thereby.

23 **Section 7. Repealing Clause.** - All laws, parts of laws, decrees, presidential issuances,
24 proclamations, orders, ordinances, and administrative regulations in conflict with the
25 provisions of this Act are hereby amended, modified or repealed accordingly.

- 1 **Section 8. Effectivity.** - This Act shall take effect fifteen (15) days after its publication in
- 2 the Official Gazette or in at least two (2) newspapers of general circulation, whichever
- 3 comes earlier.
- 4 Approved.