Republic of the Philippines
**HOUSE OF REPRESENTATIVES**
Quezon City, Metro Manila

**SEVENTEENTH CONGRESS**
First Regular Session

HOUSE BILL No. <u>1056</u>

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**Introduced by: REP. MAGNOLIA ROSA C. ANTONINO**

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### EXPLANATORY NOTE

The Constitution exclusively vests in Congress the so-called power of the purse, which covers on matters relating but not limited to appropriations, revenue or tariff bills, disbursement of public funds, form, content, and manner of preparation of the budget. However, this "Power of the Purse" has been effectively diminished when then President Ferdinand Marcos issued Presidential Decree No. 1177 on July 30, 1977, which granted him unbridled discretion over certain matters concerning appropriations.

This bill therefore seeks to effectively restore the so-called "Power of the Purse" to Congress by revoking, curtailing or restricting the exercise of such power by the President by introducing amendments and repealing certain portions of PD 1177 specifically on the power to suspend expenditure of appropriations, authority to approve fund transfer, administration of lump sum funds and authority to use savings.

The paramount objective of this important piece of legislation is to prevent the Executive Branch from further usurping the power exclusively vested in the Legislature as this Decree issued during the dictatorial regime has been "the legacy of secrecy and manipulation of the National Budget" that needs to be amended or repealed.

The foregoing reasons warrant the immediate approval of this bill.

**MAGNOLIA ROSA C. ANTONINO**
Representative
Fourth District, Nueva Ecija

HOUSE BILL No. <u>1056</u>

Introduced by: **REPRESENTATIVE MAGNOLIA ROSA C. ANTONINO**

## AN ACT
REVOKING CERTAIN POWERS GRANTED TO THE EXECUTIVE DEPARTMENT, FURTHER AMENDING FOR THE PURPOSE CERTAIN SECTIONS OF PRESIDENTIAL DECREE No. 1177 ENTITLED, "REVISING THE BUDGET PROCESS IN ORDER TO INSTITUTIONALIZE THE BUDGETARY INNOVATIONS OF THE NEW SOCIETY"

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

**SECTION 1.** Section 53 of Presidential Decree No. 1177 is hereby further amended to read as follows:

"**Section 53.** *Administration of Lump-Sum Funds.* – The [Budget Commission] DEPARTMENT OF BUDGET AND MANAGEMENT shall administer the EXECUTION UNDER THE Lump-Sum Funds appropriated in the General Appropriations Act.[, except as otherwise specified therein, including the issuance of Treasury Warrants covering payments to implementing agencies or creditors, as may be authorized by the President]. THE DEPARTMENT HAS NO AUTHORITY TO RELEASE SUCH FUNDS UNLESS THE UTILIZATION OF SAID FUNDS SHALL HAVE BEEN FULLY ITEMIZED AND SUBMITTED FOR CONCURRENCE BY A MAJORITY OF THE MEMBERS OF THE HOUSE OF REPRESENTATIVES AND THE SENATE VOTING SEPARATELY.

**Sec. 2.** Section 55 of the same Decree is hereby further amended to read as follows:

"**Section 55.** *Authority to Use Savings for Certain Purposes.* – Savings in the appropriations provided in the General Appropriations Act may be used for the settlement of the following obligations OF THE NATIONAL GOVERNMENT incurred during a recent fiscal year or previous fiscal years [as may be approved by the Commissioner in accordance with the rules and procedures as may be approved by the President] SUBJECT TO THE CONCURRENCE OF THE MAJORITY OF THE MEMBERS OF

THE HOUSE OF REPRESENTATIVES AND THE SENATE, VOTING SEPARATELY:"

    (a) xxx                   xxx                   xxx

             xxx                   xxx                   xxx

    (m) xxx                 xxx                   xxx

**SEC. 3.** *Repealing Clause.* - Sections 43, 44 and 88 of the same Decree are hereby repealed. All other laws and executive orders which are inconsistent with this Act are hereby amended, repealed or modified accordingly.

**SEC. 4.** *Effectivity.* – This Act shall take effect fifteen (15) days after its publication in the Official Gazette or in a newspaper of general circulation.

*Approved,*