

Republic of the Philippines  
**HOUSE OF REPRESENTATIVES**  
Quezon City

17<sup>th</sup> CONGRESS  
First Regular Session

**HOUSE BILL NO. 432**



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Introduced by **REP. EVELINA G. ESCUDERO**

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#### EXPLANATORY NOTE

It is hereby declared a policy of the State for all public officials and employees to be open and transparent in all of their financial transactions and dealings.

This bill requires all public officials and employees, except those who serve in an honorary capacity, to submit with the office of the Ombudsman a written permission or waiver in favor of the Ombudsman to look into all deposits of whatever nature with banks or banking institutions, both within and outside the Philippines, including investment bonds issued by the government of the Philippines, its political subdivisions and instrumentalities.

This mechanism will enable the government to audit the finances of the civil servant and will serve as a deterrent to graft and corruption.

Hence, immediate approval of this bill is earnestly sought.

  
EVELINA G. ESCUDERO

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17<sup>th</sup> CONGRESS  
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**HOUSE BILL NO. 432**

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**AN ACT**  
**REQUIRING PUBLIC OFFICIALS AND EMPLOYEES TO SUBMIT A WRITTEN PERMISSION OR WAIVER IN FAVOR OF THE OMBUDSMAN TO LOOK INTO ALL DEPOSITS OF WHATEVER NATURE WITH BANKS OR BANKING INSTITUTIONS BOTH WITHIN AND OUTSIDE THE PHILIPPINES INCLUDING INVESTMENT BONDS ISSUED BY THE GOVERNMENT OF THE PHILIPPINES, ITS POLITICAL SUBDIVISIONS AND INSTRUMENTALITIES AND PROVIDING PENALTIES THEREFOR**

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

**SECTION 1. Declaration of Policy.** It is hereby declared a policy of the State for all public officials and employees to be open and transparent in all of their financial transactions and dealings.

**SEC. 2. Submission of Written Permission or Waiver.** All public officials and employees, except those who serve in an honorary capacity, shall submit with the office of the Ombudsman a written permission or waiver in favor of the Ombudsman to look into all deposits of whatever nature with banks or banking institutions, both within and outside the Philippines, including investment bonds issued by the government of the Philippines, its political subdivisions and instrumentalities.

The aforesaid written permission or waiver shall be submitted within thirty (30) days from the date of their assumption of office; Provided, however, that public officials and employees who are already exercising the functions of their respective offices upon the effectivity of this Act shall submit the same not later than thirty (30) days from the effectivity of the Rules and Regulations implementing the provisions of this Act.

**SEC. 3. Prohibition in Case of Failure or Refusal to Submit Written Permission or Waiver.** Any public official or employee who fails or refuses to submit such written permission or waiver as required by this Act shall not be allowed to enter upon, or continue exercising, the functions of her office.

**SEC. 4. Limitation on Use.** Only the Office of the Ombudsman may obtain or use the written permission or waiver filed under this Act, or any other information or data obtained as a result thereof; *Provided, however,* that the same shall be used exclusively for investigating a duly signed and verified complaint and/or prosecuting a case before the Sandiganbayan; *Provided*

*further*, that the Office of the Ombudsman or any other agency or instrumentality of the Government or any person may not use the same for any purpose.

**SEC. 5. *Promulgation of Rules and Regulations.*** The Office of the Ombudsman shall have the primary responsibility for the administration of this Act; *Provided, however*, that it shall enlist the advice of the Department of Justice and the Banko Sentral ng Pilipinas in drafting the form of the written permission or waiver as required by the provisions of this Act.

**SEC. 6. *Penalties.***

(a) Any person who violates the provisions of Section 3 hereof shall be punished with a fine not exceeding the equivalent of one (1) year salary or suspension not exceeding one (1) year, or removal from office and, upon the discretion of a court of competent jurisdiction, disqualification to hold public office.

(b) Any person who violates the provisions of Section 4 hereof shall be punished with imprisonment of not exceeding six (6) years or a fine not exceeding One Hundred Thousand Pesos (P 100,000.00) or both.

**SEC. 7. *Separability Clause.*** In the event any portion or provision of this Act is declared unconstitutional, the remainder of this Act or any provisions not affected thereby shall remain in force and in effect.

**SEC. 8. *Repealing Clause.*** The relevant provisions of Republic Act Nos. 1405, 3019, 6713 as well as all laws, decrees and orders or parts thereof inconsistent herewith are deemed repealed or modified accordingly.

**SEC. 9. *Effectivity.*** This Act shall take effect 15 days after its complete publication in at least two (2) newspapers of national circulation.

Approved,