

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

**EIGHTEENTH CONGRESS**

First Regular Session

House Bill No. 784



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Introduced by **HON. ROZZANO RUFINO B. BIAZON**

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**EXPLANATORY NOTE**

This bill seeks to provide for the acquisition of the services of a private auction house that shall undertake all the public auctions at the Bureau of Customs. For this purpose, it seeks to amend Republic Act No. 10863, otherwise known as the Customs Modernization and Tariff Act.

There are certain functions that the private sector does more efficiently and effectively. This is the reason why these functions are better left to private companies or corporations to perform. It is viewed that one of these functions is the conduct of public auctions. Private auction houses are in a better position to conduct public auctions because of their expertise in these activities.

It is hoped that by giving the responsibility of conducting public auctions for the disposition of property in Customs custody to a private auction house, more income will be realized by the Bureau in these activities. Moreover, this piece of legislation is also intended to curb corruption in the Bureau in the conduct of its public auctions as it will hopefully minimize, if not totally eradicate collusion between BOC employees and favored bidders that result to the disadvantage of the government.

In view of the foregoing, the passage of this bill is earnestly sought.

  
**ROZZANO RUFINO B. BIAZON**  
*Representative*  
Lone District, Muntinlupa City

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**AN ACT**

**PROVIDING FOR THE ACQUISITION OF THE SERVICES OF A PRIVATE AUCTION HOUSE THAT SHALL UNDERTAKE ALL PUBLIC AUCTIONS AT THE BUREAU OF CUSTOMS, AMENDING FOR THIS PURPOSE REPUBLIC ACT NO. 10863, OTHERWISE KNOWN AS THE CUSTOMS MODERNIZATION AND TARIFF ACT**

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

SECTION ONE. Section 1141 of Republic Act No. 10863 is hereby amended to read as follows:

“SEC. 1141. *Mode of Disposition.* – The goods subject to disposition may be donated to another government agency or declared for official use of the Bureau, after approval of the Secretary of Finance, or sold at a public auction within thirty (30) days after a ten (10)-day notice posted at a public place at the port where the goods are located and published electronically or in a newspaper of general circulation. **THE BUREAU SHALL, ON A YEARLY BASIS AND THROUGH PUBLIC BIDDING, ACQUIRE THE SERVICES OF A PRIVATE AUCTION HOUSE THAT SHALL BE RESPONSIBLE FOR UNDERTAKING ALL THE PUBLIC AUCTIONS OF THE BUREAU.**

For purposes of donating the goods as above described, goods suitable for shelter consisting of foodstuffs, clothing materials or medicines may be donated to the DSWD.”

Sec. 2. *Repealing Clause.* – All laws, executive orders, rules and regulations inconsistent with or contrary to this Act, are hereby deemed accordingly repealed or amended.

Sec. 3. *Separability Clause.* – If, for any reason, any section or provision of this Act is declared unconstitutional or invalid, the other sections or provisions not affected thereby shall remain in full force and effect.

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

Approved,