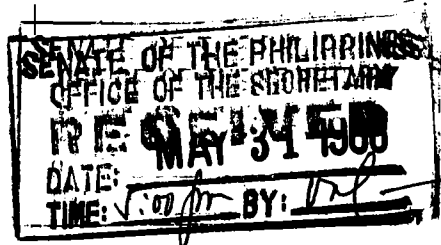


Congress of the Philippines
First Regular Session



S E N A T E

Committee Report No. 262

Submitted by the Committee on Finance

Re: Senate Bill No. 542, prepared by the Committee.

Recommending its approval.

Sponsor: Senator Neptali A. Gonzales, MACEDA & Romulo

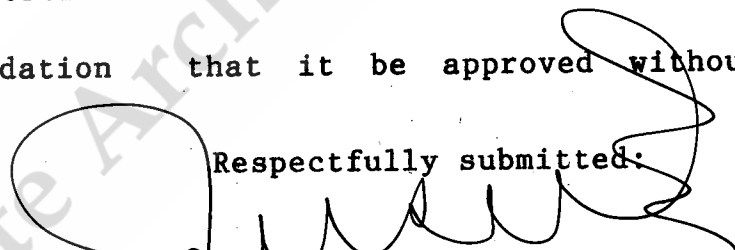
Mr. President:

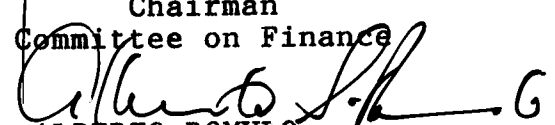
The Committee on Finance has the honor to submit to the Senate, for its immediate consideration and approval, the attached bill (S. No. 542), prepared by the Committee, entitled:

AN ACT
FURTHER AMENDING CERTAIN SECTIONS AND TERMS
USED IN PRESIDENTIAL DECREE NO. 1177, AS
AMENDED, IN ORDER TO INSTITUTE A MODIFIED
PERFORMANCE BUDGET SYSTEM.

with the recommendation that it be approved without amendments.

Respectfully submitted:


NEPTALI A. GONZALES
Chairman
Committee on Finance


ALBERTO ROMULO
Vice-Chairman


ERNESTO MACEDA
Vice-Chairman

MEMBERS:


LETICIA R. SHAHANI


TEOFISTO T. GUINGONA, JR.

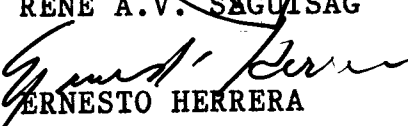

EDGARDO J. ANGARA

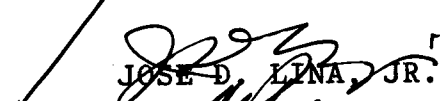

SOTERO H. LAUREL

JOHN OSMENA


WICBERTO TANADA



RENE A.V. SAGUISAG


ERNESTO HERRERA


JOSE D. LINA, JR.


VICENTE PATERNO


MAMINTAL ABDUL J. TAMANO



HEHERSON ALVAREZ

EX-OFFICIO MEMBERS:


JUAN PONCE ENRILE
Minority Floor Leader

AGAPITO A. AQUINO


JOSEPH E. ESTRADA

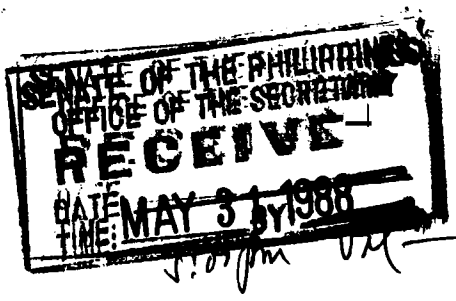

ORLANDO S. MERCADO
Majority Floor Leader


JOVITO R. SALONGA
Senate President



Senate Archives (LIR 2)

REPUBLIC OF THE PHILIPPINES
CONGRESS OF THE PHILIPPINES
S E N A T E
M A N I L A



FIRST REGULAR SESSION

S. NO. 542

Introduced by the Committee on Finance

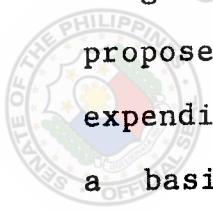
AN ACT
FURTHER AMENDING CERTAIN SECTIONS AND TERMS USED IN
PRESIDENTIAL DECREE NO. 1177, AS AMENDED, IN ORDER TO
INSTITUTE A MODIFIED PERFORMANCE BUDGET SYSTEM.

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

SECTION 1. Section 13 of Presidential Decree No. 1177 is
hereby amended to read as follows:

"Sec. 13. Submission of the Budget. - [The
President shall, in accordance with Section Sixteen
(1), Article VIII of the Constitution, submit within
thirty days from the opening of each regular session
of the National Assembly, a national government
budget of estimated receipts based on existing and
proposed revenue measures, and of estimated
expenditures. The budget estimates shall be used as
a basis for the consideration of the General
Appropriations Bill and of other appropriations
measures whose revenue and expenditure estimates are
incorporated therein.]

"[The President shall include in his budget
submission the proposed expenditure level of the
Legislative and Judicial Branches and of
Constitutional bodies, which shall have undergone



the same process of evaluation and which shall have been subject to the same budgetary policies and standards applicable to agencies in the Executive Branch.]

"[The President shall submit the General Appropriations Bill with the budget as herein specified, embodying proposed appropriations for the current operations of the national government and for capital outlays.] THE PRESIDENT SHALL, IN ACCORDANCE WITH SECTION 22, ARTICLE VII OF THE CONSTITUTION, SUBMIT TO THE CONGRESS WITHIN THIRTY DAYS FROM THE OPENING OF EVERY REGULAR SESSION, AS THE BASIS OF THE GENERAL APPROPRIATIONS BILL, A BUDGET OF EXPENDITURES AND SOURCES OF FINANCING, INCLUDING RECEIPTS FROM EXISTING AND PROPOSED REVENUE MEASURES. Additional appropriations proposals maybe submitted which correspond to part of the expenditure estimates submitted as part of the budget proposal: Provided, That continuing appropriations maybe enacted for public works, highways and other infrastructure projects which require more than one year for construction. In such cases, revenue estimates for the future years shall also be used in the evaluation of funding availability.

"The President may transmit to the [National Assembly] CONGRESS, from time to time, such proposed supplemental or deficiency appropriations as are, in his judgment, (a) necessary on account of laws enacted after the transmission of the Budget, or (b) otherwise needed in the public interest."

SEC. 2. Section 24 of the same decree is hereby amended to read as follows:

"Sec. 24. Appropriations for Personal Services. - Appropriations for personal services shall be considered as included in the amount specified for each budgetary program and project of each [ministry] DEPARTMENT, bureau, office or agency, and shall [not] be itemized. The itemization of personal services shall be prepared by the [Minister] SECRETARY for consideration and approval of the President as provided in Section 30 hereof: Provided, That the itemization of personal services shall be prepared for all agencies of the Legislative, Executive and Judicial Branches and the Constitutional bodies DOWN TO THE DIVISION CHIEF LEVEL AND IN THE CASE OF THE ARMED FORCES OF THE PHILIPPINES AND THE INTEGRATED NATIONAL POLICE DOWN TO THE RANK OF SECOND LIEUTENANT, except as maybe otherwise approved by the President for positions concerned with national security matters: PROVIDED, FURTHER, THAT APPROPRIATIONS FOR CASUAL AND/OR TEMPORARY EMPLOYEES SHALL BE IN LUMP SUM BASED ON THE NUMBER OF MAN-HOURS TO BE RENDERED."

SEC. 3. Section 26 of the same Decree is hereby repealed.

SEC. 4. Section 27 of the same Decree is hereby amended to read as follows:

"Sec. 27. [Schedule of Budget Consideration]
INFRASTRUCTURE AND OTHER BILLS. _

"[a. General Appropriations Bill. - The Committee on Appropriations shall report the general

appropriations bill to the National Assembly within seven consecutive session days after the bill has been referred to it.

"[The National Assembly shall start the discussion of said bill on second reading likewise within seven consecutive session days from the date of submission of said report.

"[Debate shall be terminated on or before the eighteenth consecutive session day from the beginning of the discussions. Final action thereon shall be taken within three consecutive session days after the submission of the printed bill incorporating approved amendments: Provided, That a printed statement of final amendments shall be sufficient basis for approval of the bill.]

"[b. Revenue Measure. - The Committee on Finance shall report to the Batasan revenue bills forming part of the budget estimates, within ten consecutive session days after they have been referred to it. The provision of sub-section "a" above with respect to timetable of consideration shall apply, as much as practicable, to the schedule of discussion and final action on revenue bills.]

"[c. Infrastructure and Other Bills. -] The public works, highways and other bills requiring appropriations may be filed at any time during the sessions of the [National Assembly] CONGRESS and shall be considered by the [Assembly] CONGRESS upon their being reported out by the corresponding Committees."

SEC. 5. Sections 28 and 29 of the same Decree are hereby repealed.

SEC. 6. Section 30 of the same Decree is hereby amended to read as follows:

"Sec. 30 Content of the General Appropriations Act. - The General Appropriations Act shall be presented in the form of budgetary programs and projects for each agency of the government, with the corresponding appropriations for each program and project, including statutory provision of specific agency or general applicability. The General Appropriations Act shall [not] contain [any] AN itemization of personal services which shall be prepared by the [Minister after] SECRETARY BEFORE enactment of the General Appropriations Act. [for consideration and approval of the President]"

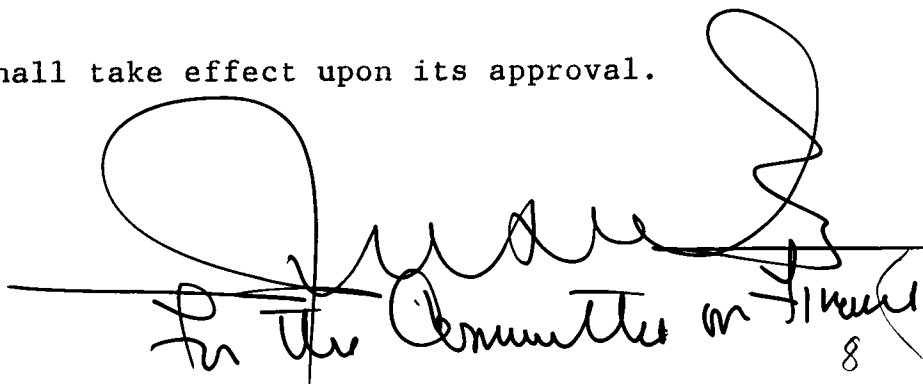
SEC. 7. The following words, phrases or terms wherever they appear in Presidential Decree No. 1177, as amended, are hereby amended to read:

- a. "Ministry of the Budget" shall read "Department of the Budget and Management";
- b. "Minister of Budget" shall read "Secretary of the Department of Budget and Management";
- c. "National Assembly" and "Batasan" shall read "Congress";
- d. "Ministry" and "Ministries" shall read "Department" and "Departments";
- e. "Minister" shall read "Secretary".

SEC. 8. All laws, decrees, executive orders and letters of instructions inconsistent with the provisions of this Act and the Constitution are hereby repealed, superseded and/or modified."

SEC. 9. This Act shall take effect upon its approval.

Approved,


for the Committee on Finance
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