

Title:

****Republic of the Philippines vs. Atty. Richard B. Rambuyong: A Question of Legal Representation Against Government Instrumentalities by Sanggunian Members****

Facts:

In Civil Case No. 1-197, filed by Alfredo Y. Chu against the National Power Corporation (NPC), a government-owned or controlled corporation, Atty. Richard B. Rambuyong, Vice-Mayor of Ipil, Zamboanga Sibugay, served as counsel for Chu. The NPC filed a Motion for Inhibition against Atty. Rambuyong, citing Section 90 (b), (1) of the Local Government Code, arguing that as a sanggunian member, he was prohibited from appearing as counsel in any court against an instrumentality of the government. The Regional Trial Court (RTC) dismissed the motion, reasoning that government-owned or controlled corporations were not included under the Local Government Code's definition of government instrumentalities. NPC's motion for reconsideration was denied, prompting an appeal to the Court of Appeals (CA), which upheld the RTC's decision. NPC then filed a petition for review in the Supreme Court.

Issues:

1. Whether the NPC qualifies as an "instrumentality" of the government under the Local Government Code, thus prohibiting Atty. Rambuyong, as a sanggunian member, from appearing as counsel against it.
2. Whether the RTC and CA committed grave abuse of discretion in interpreting the law and denying NPC's motion for Inhibition.

Court's Decision:

The Supreme Court granted the petition, reversing the CA's decision. It ruled that according to the Administrative Code of 1987 and previous jurisprudence, the NPC is indeed an "instrumentality" of the government. Therefore, Atty. Rambuyong, as a sanggunian member, is prohibited from appearing as counsel against it under Section 90 (b), (1) of the Local Government Code. The Court concluded that both the RTC's and CA's failure to recognize this constituted grave abuse of discretion.

Doctrine:

The doctrine established is that government-owned or controlled corporations are considered "instrumentalities" of the government, and as per Section 90 (b), (1) of the Local Government Code, sanggunian members are prohibited from appearing as counsel against them in any civil case.

Class Notes:

- **Key Elements:** Understanding the terms “government-owned or controlled corporation” and “instrumentality of the government” as used in Philippine laws, specifically the Local Government Code and the Administrative Code of 1987.
- **Relevant Provisions:**
- **Local Government Code Section 90 (b), (1):** Prohibits sanggunian members who are also lawyers from appearing as counsel against a local government unit, office, agency or instrumentality of the government.
- **Administrative Code of 1987 Section 2 (10):** Defines “instrumentality” and includes government-owned or controlled corporations within its scope.
- **Application:** Sanggunian members must inhibit themselves from legal representation against government instrumentalities, including government-owned or controlled corporations, to avoid conflicts of interest and uphold public interest.

Historical Background:

This case highlights the legal boundaries set for elected local government officials in the Philippines regarding their private practice of law, especially when it intersects with government interests. It underscores the broader context of ensuring that public officials do not exploit their positions for personal gain, reinforcing the integrity and impartiality expected in public service.