

****Title:**** Judge Tomas C. Leynes vs. Commission on Audit: A Discourse on the Grant of Allowances to Judiciary Members by Local Government Units

****Facts:****

Judge Tomas C. Leynes, serving as the presiding judge of the Regional Trial Court, Branch 40, in Calapan City, Oriental Mindoro, and formerly assigned to the Municipal Trial Court in Naujan, Oriental Mindoro, received a controversy over a monthly allowance provided by the local government. Initially, Judge Leynes received a monthly allowance of P944 from the Municipality of Naujan, funded locally since 1984. This was apart from his salary and representation and transportation allowance (RATA) sourced from the national government budget allocated to the Supreme Court.

On March 15, 1993, following a request for opinion regarding budgetary limitations on municipal grants to judges, the Sangguniang Bayan of Naujan approved Resolution No. 101 on May 7, 1993, raising Judge Leynes' monthly allowance to P1,600 effective May 1993. This was factored into a supplemental budget approved by the municipal and provincial governing bodies.

In February 1994, Provincial Auditor Salvacion M. Dalisay directed the Municipality of Naujan to terminate the allowance payment and recollect disbursed amounts. She opined the duplication of RATA from both the Supreme Court and the Municipality was impermissible based on national statutes and circulars, effectively stirring what culminated in the Supreme Court's deliberation.

Judge Leynes sought a resolution from the COA and, following adverse rulings from COA Regional Director and the COA itself, moved to the Supreme Court under a petition for certiorari.

****Issues:****

1. The validity of Resolution No. 101 in granting additional allowance to Judge Leynes by Naujan, Oriental Mindoro.
2. The statutory power of local government units to provide additional allowances to national government employees stationed in their jurisdiction under the Local Government Code of 1991.
3. The legality of budget circulars issued by the Department of Budget and Management (DBM) in restricting the powers of municipal governments to provide additional allowances.
4. The standing of Section 447(a)(1)(xi) of the Local Government Code of 1991 in light of the

General Appropriations Act of 1993 and subsequent statutes and circulars.

5. Judge Leynes' entitlement to receive the additional allowance granted by the Municipality of Naujan.

****Court's Decision:****

The Supreme Court ruled in favor of Judge Leynes, highlighting the autonomy of local government units under the Constitution and the Local Government Code of 1991. The Court established that LGUs possess the express authority to grant allowances to national government officials stationed in their jurisdictions if their financial status permits. Budget circulars by the DBM cannot amend or supersede substantive laws like the Local Government Code.

Specifically, the Court found COA's opposition based on the prohibition of dual RATA collection from more than one source unsustainable, interpreting it as applicable only within national agencies and not between national agencies and LGUs. Furthermore, the Court invalidated the section of the Local Budget Circular No. 53 that outrightly prohibited LGUs from granting allowances granted by the national government, deeming it contrary to the Local Government Code's provisions.

****Doctrine:****

The autonomy of local government units, as enshrined in the Constitution and the Local Government Code of 1991, empowers LGUs to enact ordinances granting allowances and other benefits to judges and national government officials within their jurisdiction, provided their financial conditions allow such grants. Administrative circulars cannot amend or override these statutory provisions.

****Class Notes:****

- The autonomy of LGUs in granting allowances to national government officials is grounded in the Constitution and the Local Government Code of 1991.
- Administrative circulars issued by departments such as the DBM cannot repeal, amend, or supersede substantive laws enacted by the legislature.
- The legality of LGU ordinances granting allowances hinges on two primary factors: compliance with statutory provisions and the financial capability of the LGU.

****Historical Background:****

Before the controversy, the power of LGUs to grant allowances to members of the judiciary was recognized and reinforced by a series of legislative acts, administrative directives, and

jurisprudence, reflecting the evolving principles of local autonomy and fiscal independence within the Philippine governmental framework.