

Title: **\*\*Belgica v. Executive Secretary Ochoa: A Constitutional Inquiry into the Disbursement Acceleration Program (DAP)\*\***

**\*\*Facts:\*\***

This case arose from the controversy surrounding the Philippine Government's implementation of the Disbursement Acceleration Program (DAP), a fiscal initiative introduced by the Aquino Administration supposedly to stimulate economic growth by accelerating public spending. The genesis of the controversy can be traced back to a privilege speech by Senator Jinggoy Estrada in 2013, revealing that senators who voted to convict then-Chief Justice Renato Corona received additional funds allegedly from the DAP. The Department of Budget and Management (DBM), led by Secretary Florencio Abad, confirmed that these funds were part of the DAP aimed at accelerating spending to promote economic expansion.

Several petitions were filed with the Supreme Court challenging the constitutionality of the DAP, its related issuances, and its implementation, arguing it violated the constitutional provisions on the separation of powers, the non-delegation of legislative power, and the prescribed process of public expenditure. The petitioners contended that the DAP allowed the Executive to reallocate public funds without legislative sanction, effectively usurping the power of the purse vested in Congress.

The case reached the Supreme Court after consolidating multiple petitions that broadly questioned (1) the procedural issues surrounding the DAP's challenge, including the legal standing of petitioners and the mootness of their claims; and (2) substantive issues focusing on the constitutionality of the DAP under the 1987 Philippine Constitution.

**\*\*Issues:\*\***

The Supreme Court faced several legal issues, including:

1. Whether or not the DAP and its related issuances violated Section 29(1), Article VI of the 1987 Constitution, which stipulates that "No money shall be paid out of the Treasury except in pursuance of an appropriation made by law."
2. Whether the withdrawal of unobligated allotments and the use of unprogrammed funds under the DAP were in accordance with the law.
3. Whether the practice of treating savings or realigning funds under the DAP was constitutional.

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

The Supreme Court ruled that specific acts under the DAP violated the constitutional provisions governing the disbursement of public funds. Particularly, it held that:

1. The withdrawal of unobligated allotments and the declaration of withdrawn unobligated allotments and unreleased appropriations as savings before the end of the fiscal year were inconsistent with the definition of savings under the General Appropriations Act (GAA) and violated the constitutional provision safeguarding the separation of powers over public expenditure.
2. The funding of projects, activities, and programs not covered by any appropriation in the GAA also contravened the constitutional safeguard that no money may be paid out of the Treasury except in pursuance of an appropriation made by law.

**\*\*Doctrine:\*\***

The Supreme Court reiterated the doctrines regarding the separation of powers, the non-delegation of legislative powers, and the specific prescriptions on public spending and the use of public funds. It emphasized that any transfer and use of public funds must strictly adhere to the definitions and procedures set out in the Constitution and relevant laws, particularly the GAA.

**\*\*Class Notes:\*\***

Key Elements:

- Article VI, Section 29(1) of the 1987 Constitution: “No money shall be paid out of the Treasury except in pursuance of an appropriation made by law.”
- Definition of “Savings” as set within the context of the GAA.
- Principle of Separation of Powers: underscores the non-transferability of the power of the purse from Congress to another branch of government without clear legislative authorization.
- Legislative Appropriations: Public expenditure must be supported by a specific appropriation law, highlighting the GAA’s role.

**\*\*Historical Background:\*\***

The DAP case underscores a critical moment in the Philippines’ constitutional and political landscape, testing the boundaries of executive discretion in public spending against the backdrop of the legislative power of appropriation. It highlights the evolving dynamics and tensions between branches of government in fiscal administration and governance principles. The case serves not only as a judicial review of the Executive’s fiscal strategies but also as a reaffirmation of constitutional doctrines protecting the legislature’s power of

appropriation.