

AN ACT RELATING TO THE PAYMENT OF THE PREMIUM CHARGES UPON THE BONDS OF BONDED INSULAR, PROVINCIAL, AND MUNICIPAL OFFICERS AND EMPLOYEES.

Act No. 1097, March 30, 1904

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By authority of the United States, be it enacted by the Philippine Commission, that:

SECTION 1. Whenever the Insular Government shall enter into a contract with a fidelity company or companies for furnishing fidelity bonds for officers and employees of the insular, provincial, municipal, and city governments, who are required by law to give bond at a specific rate for a specified time, the Insular Treasurer shall pay to such fidelity company or companies, or to their lawful representatives, the gross amount of the premium charged on all fidelity bonds executed by them on behalf of such governments under such contract, and shall collect from each officer or employee so bonded that portion of the premium charges on his bond as shall be determined by the Commission, and he shall collect from the provincial, municipal, or city government under which the officer is serving the balance of the premium which shall have been paid to the fidelity company or companies by the Insular Government. All collections on this account shall be deposited by the Insular Treasurer to the credit of the appropriation from which the original payment was made.

SEC. 2. All official bonds obtained under the provisions of a contract between the Insular Government and a fidelity company or companies shall be made payable to the Government of the Philippine Islands for the benefit of whom it, may concern, and shall be procured, through and filed in the office of the Insular Treasurer except; he bond of the Insular Treasurer, which shall be filed in the office of the Insular Auditor.

SEC. 3. Applications for provincial and municipal bonds shall be forwarded through the provincial treasurers who shall pay to the Insular Treasurer the premium thereon chargeable to the province or Municipality, and the amounts so paid shall be a proper charge against the revenues of the respective province or municipality. A municipal official, serving as such only, required to give bond, may secure the same from the Government's official surety company through the Insular Treasurer, and in such cases the provisions of section eight of Act Numbered One hundred and eighty-three, providing for approval, and of section seventeen of Act Numbered Eighty-two, providing for approval and filing of the bonds, shall not be applicable.

When an official is acting in the dual capacity of deputy provincial treasurer and municipal treasurer, he shall be required to secure bond in such dual capacity from the Government's official surety company through the Insular Treasurer, and in such cases the provisions of section seventeen of Act Numbered Eighty-two shall not be applicable: the provincial board shall fix the amount of such bond upon recommendation of the provincial treasurer, and the latter shall determine the portion of premium chargeable to the province and to the municipality; Provided, That not more than fifty per centum or less than forty per centum of the amount shall be chargeable to the municipality.

SEC. 4. An official or employee who shall furnish surety as provided in this Act shall reimburse the Insular Government that portion of the amount of premium paid by the Insular Government, as determined by the

Commission, within fifteen days after the receipt by him of a statement from the Insular Treasurer of the amount due; and the Insular Treasurer shall forward a statement of indebtedness, in any case where payment is delayed to the proper officer making payment of salary, who is hereby authorized and directed to retain from the salary of said official or employee the amount of indebtedness and to pay said amount to the Insular Treasurer.

SEC. 5. When a bonded position is created and appointment made thereto, or a bond required in a position heretofore existing, or appointment made of a successor to a bonded official or employee discharged or otherwise relieved, the chief of the Bureau or Office to which the position pertains shall at once forward to the Treasurer of the Philippine Islands a statement setting forth the designation of the position; the amount of bond required of the incumbent as fixed by competent authority, or, if not previously so fixed, the amount of bond recommended, stating the financial or property responsibility pertaining to the position and the maximum amount of funds and value of property likely to be in the hands of the incumbent at any time: the salary attached thereto; the name of the appointee and the date of his assuming accountability for funds or property; the date of relief from further accountability of the predecessor in the position, if any; and such further information in the premises as may be required by the Insular Treasurer. Upon receipt of the report above required the Treasurer shall promptly advise the surety company of bond desired and date of termination of liability on bond of official relieved, if any and shall advise the chief of Bureau or Office in interest of action taken, and through such chief shall furnish the appointee with the required blank form of application for fidelity bond, to be completed by him and promptly returned to the Treasurer for submission to the surety company. Unless and until notified to the contrary, the obligation of the surety as originally requested shall be in full force and effect from the date requested.

SEC. 6. Whenever a bonded official or employee is discharged or otherwise relieved and a successor not immediately appointed, the chief of the Bureau or Office in which the change has occurred, shall at once advise the Treasurer of the Philippine Islands of such change, giving at the same time, or as soon thereafter as possible, the exact date when the official or employee in question was relieved from further accountability in the position: Provided, That the secretary of the municipal board, in so far as a city is concerned, and the provincial treasurer, in so far as the provinces and municipalities are concerned, shall perform the duties prescribed for the chief of Bureau or Office in this Act.

SEC. 7. All Acts and parts of Acts in conflict with any of the provisions of this Act are hereby repealed.

SEC. 8. The public good requiring the speedy enactment of this bill, the passage of the same is hereby expedited in accordance with section two of "An Act prescribing the order of procedure by the Commission in the enactment of laws," passed September twenty-sixth, nineteen hundred.

SEC. 9. This Act shall take effect upon its passage and shall pertain to all official bonds procured under the provisions of a contract between the Insular Government and the fidelity companies for the calendar year nineteen hundred and four and thereafter.

Enacted, March 30, 1904.

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