

AN ACT GRANTING PROVINCIAL BOARDS GREATER AUTONOMY IN THE PREPARATION OF THE PROVINCIAL BUDGET, AMENDING FOR THIS PURPOSE CERTAIN SECTIONS OF THE REVISED ADMINISTRATIVE CODE.

REPUBLIC ACT NO. 1063, June 12, 1954

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

SECTION 1. Sections two thousand one hundred nineteen and two thousand one hundred twenty of the Revised Administrative Code, as amended, are further amended to as follows:

"SEC. 2119. Detailed statement of receipts and expenditures.—On or before the fifteenth day of April of each year the provincial treasurer shall present to the provincial governor a certified detailed statement of all receipts and expenditures pertaining to the preceding fiscal year and to the current fiscal year up to and including March thirty-first, together with an estimate of the receipts and expenditures for the remainder of the current fiscal year and also an estimate of the receipts for the ensuing fiscal year. Within the same period the heads of the various offices in the provincial government shall submit to the provincial governor a statement of the proposed expenditures recommended by them for their respective offices during the ensuing fiscal year. Upon receipt of the foregoing statements the provincial governor shall prepare the budget for the ensuing fiscal year. The said budget shall contain an estimate of receipts as submitted by the provincial treasurer and his proposed expenditures for the ensuing fiscal year.

"The proposed expenditures for salaries and wages shall specify the number of positions, their respective designations or rate of salaries and wages which should not exceed the standard rate fixed by law or regulation. In case a reduction of salaries and wages becomes necessary such reduction shall be general in character, and the percentage thereof shall be uniform for similar rates of salaries and wages. Abolitions of positions shall not take effect except upon approval by the Secretary of Finance.

"The provincial governor shall submit the budget to the provincial board not later than May sixteen of the year."

"SEC. 2120. Estimate of revenues and receipts for current year.—Annual provincial budget.—Immediately upon receipt of the statement of receipts and expenditures from the provincial governor, the provincial board, upon the basis of such estimated income, shall make detailed appropriations covering the estimated expenditures for the year. The statement of receipts and expenditures for the preceding year, together with the estimates and appropriations by the provincial board for the current year, shall be as the annual provincial budget. If the said budget appropriates an aggregate amount not exceeding the estimated receipts for the ensuing year after provisions shall have been made for the statutory and/or current contractual obligations of the province it shall, on the date therein fixed for its effectivity, be in full force and effect: Provided, however, That if the aggregate amount so appropriated exceeds the said estimated receipts, then the budget shall be effective only when approved by the Secretary of Finance: Provided, further, That if the Secretary of Finance takes no action thereon within sixty days after submission to him, then said budget shall be in full force and effect. If the provincial board fails to enact the budget before the beginning of the ensuing fiscal year, or pending the approval of the budget by the Secretary of Finance, the annual provincial budget for the preceding fiscal year

shall be deemed reenacted and be in effect until a new budget is duly enacted and approved. Changes in the estimates and appropriations may be made from time to time during the year by supplemental budgets in the same manner as the annual budget: Provided, That no changes shall be made to appropriations made for health without first consulting the chief of the sanitary division."

SEC. 2. Article VII, Chapter fifty-six of the same Code is amended by inserting between sections two thousand one hundred twenty and two thousand one hundred twenty-one a new section, to be known as section two thousand one hundred twenty-A, which shall read as follows:

"SEC. 2120-A. Appeal by Head of Office to Secretary of Finance.—In case the head of any office is dissatisfied with the budget approved by the provincial board, he may appeal such action of the board to the Secretary of Finance within ten days after he is advised of such action. The appeal shall specify the portion of the budget objected to and shall state the grounds for the objection. The Secretary of Finance shall decide the appeal within thirty days after notice of the appeal."

SEC. 3. Article VIII, Chapter fifty-six of the same Code is amended by inserting between sections two thousand one hundred twenty-one and two thousand one hundred twenty-two a new section, to be known as section two thousand one hundred twenty-one-A, which shall read as follows:

"SEC. 2121-A. General limitation upon amount expendable for salaries and wages.—Except as hereinbelow provided, there shall not be expended during any fiscal year for salaries and wages of provincial officials and employees an amount in excess of the following percentages of the ordinary and regular income that accrued to the general fund during the preceding fiscal year, exclusive of all balances carried forward from the preceding fiscal year, transfer from other funds, and all receipts from loans, aids or gifts from government or private funds.

Per cent

First class A provinces

40

First class B provinces

45

First and second class provinces

50

Third class provinces

55

Fourth class provinces

60

Fifth class provinces

70

The President of the Philippines may, upon recommendation of the Department of Finance, authorize any province to exceed such percentages under such conditions as he may prescribe."

SEC. 4. All acts, executive orders or parts thereof in conflict with the provisions of this Act are repealed.

SEC. 5. This Act shall take effect upon its approval.

Approved, June 12, 1954.

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