


NINETEENTH CONGRESS OF THE)
REPUBLIC OF THE PHILIPPINES)
Third Regular Session)



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SENATE
S. No. 2774

RECEIVED BY: 

Introduced by Senator Loren B. Legarda

AN ACT
AMENDING REPUBLIC ACT NO. 10149, OTHERWISE KNOWN AS THE
"GOCC GOVERNANCE ACT OF 2011"

EXPLANATORY NOTE

Since its creation, the Governance Commission for Government-Owned or -Controlled Corporations (GCG) has encountered numerous challenges in fully exercising its mandate. Various issues have arisen regarding the scope and legality of GCG's powers and functions under its Charter. To address these issues and enhance the GCG's effectiveness, an amendment to Republic Act No. 10149, otherwise known as the "GOCC Governance Act of 2011" is needed.

The GCG is the central policy-making and regulatory body mandated to safeguard the State's ownership rights and ensure that the operations of Government-Owned or -Controlled Corporations (GOCCs) are transparent and responsive to the needs of the public.

To streamline and improve the governance of GOCCs, this bill proposes to: harmonize the different definitions of a GOCC providing for a single reference to avoid varying interpretations; lengthen the term of office of the members of the Governing Board of GOCCs from one (1) year to two (2) years; give the GCG the additional powers to consolidate and regularize GOCCs to guarantee full protection of the State's ownership rights in GOCCs and to ensure the operations of GOCCs are consistent with national development policies and programs; afford the GCG flexibility to classify GOCCs; grant the GCG subpoena and contempt powers for better enforcement of the

law; give investigatory powers to the GCG to ensure the faithful performance of the Governing Board and Officers; and improve asset administration and disposition.

Finally, to support these additional powers and functions, the creation of new organizational units and positions within the GCG is necessary.

These proposed amendments aim to address the challenges faced by the GCG, improve its regulatory capabilities, and ensure that GOCCs operate efficiently, transparently, and in alignment with national development goals.

In view of the foregoing, the passage of this measure is earnestly sought.



LOREN LEGARDA

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AN ACT
AMENDING REPUBLIC ACT NO. 10149, OTHERWISE KNOWN AS THE
"GOCC GOVERNANCE ACT OF 2011"

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

1 Section 1. Section 3 of Republic Act No. 10149 is hereby amended as follows:

2 " SEC. 3. Definition of Terms. –

3 X X X

4 **"(H) CONSOLIDATION REFERS TO THE UNION OF TWO OR**
5 **MORE EXISTING GOCCS TO FORM A CONSOLIDATED**
6 **GOCC. IT IS A COMBINATION OF TWO OR MORE GOCCS BY**
7 **WHICH THEIR RIGHTS, FRANCHISES, AND PROPERTY ARE**
8 **COMBINED AND BECOME THOSE OF A SINGLE, NEW**
9 **GOCC."**

10 X X X

11 **"[(~~o~~)] (P) Government-Owned or -Controlled Corporation**
12 **(GOCC) refers to any agency organized as a stock or nonstock**
13 **corporation, vested with functions relating to public needs, whether**
14 **governmental or proprietary in nature, and owned by the**
15 **Government of the Republic of the Philippines directly or through**
16 **its instrumentalities either wholly or, where applicable as in the**
17 **case of stock corporations, to the extent of at least a majority of**

1 its outstanding capital stock: Provided, [~~however, That—for~~
2 ~~purposes of this Act,~~] **THAT** the term "GOCC" shall include
3 GICP/GCE and GFI as defined herein, **AND PROVIDED,**
4 **FURTHER, THAT THE DEFINITION HEREIN SHALL**
5 **SUPERSEDE ALL OTHER DEFINITIONS OF "GOCC" UNDER**
6 **EXISTING LAWS."**

7 x x x

8 **"(Q) MERGER REFERS TO A UNION WHEREBY ONE GOCC**
9 **ABSORBS ONE OR MORE EXISTING GOCCS, AND THE**
10 **ABSORBING GOCC SURVIVES AND CONTINUES THE**
11 **COMBINED FRANCHISE, MANDATE, AND BUSINESS."**

12 x x x

13 **"(Y) REGULARIZATION REFERS TO THE CONVERSION OR**
14 **INTEGRATION OF AN EXISTING GOCC TO A REGULAR**
15 **AGENCY OF THE GOVERNMENT, BECAUSE ITS CORPORATE**
16 **FORM IS NO LONGER RELEVANT FOR ITS CURRENT**
17 **OPERATIONS. THIS COULD BE PURSUED IN THE CASE OF**
18 **GOCCS WHICH ARE NOT UNDERTAKING PROPRIETARY OR**
19 **BUSINESS-TYPE OPERATIONS BUT FUNCTIONS AS**
20 **REGULATION, PROVISION OF TECHNICAL ASSISTANCE, AND**
21 **CONDUCT OF RESEARCH WHERE MINIMAL OR NO INCOME IS**
22 **DERIVED."**

23 x x x

24 Sec. 2. Section 5 of Republic Act No. 10149 is hereby amended as follows:

25 "SEC. 5. Creation of the Governance Commission for
26 Government Owned or-Controlled Corporations. – x x x

27 "(a) Evaluate the performance and determine the relevance
28 of the GOCC, to ascertain whether such GOCC should be
29 reorganized, merged, **CONSOLIDATED,** streamlined,
30 **REGULARIZED,** abolished, or privatized, in consultation with the
31 department or agency to which a GOCC is attached. x x x:"

1 (1) x x x;

2 x x x

3 "(6) The functions, purpose or nature of operations of any group
4 of GOCCs require consolidation under a holding company.

5 Upon determination by the GCG that it is to the best interest of the
6 State that a GOCC should be reorganized, merged,
7 **CONSOLIDATED**, streamlined, **REGULARIZED**, abolished, or
8 privatized, it shall:

9 "(i) Implement the reorganization [~~merger~~] or streamlining of
10 the GOCC [~~,-unless otherwise directed by the President; or~~];

11 "(ii) Recommend to the President the abolition, **MERGER**,
12 **CONSOLIDATION, REGULARIZATION**, or privatization of the
13 GOCC, and upon the approval of the President, implement such
14 abolition, **MERGER, CONSOLIDATION, REGULARIZATION**, or
15 privatization, unless the President designates another agency to
16 implement such abolition, **MERGER, CONSOLIDATION,**
17 **REGULARIZATION**, or privatization[.]:

18 **PROVIDED, HOWEVER, THAT IN CASE OF ABOLITION OF**
19 **GOCCS WHERE THERE IS A LACK OF QUORUM IN THE**
20 **BOARD OF DIRECTORS/TRUSTEES IN ORDER TO**
21 **IMPLEMENT IN ITS ENTIRETY THE LIQUIDATION OF THE**
22 **GOCC, THE GCG SHALL IMPLEMENT SUCH ACTIONS AS**
23 **MAY BE NECESSARY TO COMPLETE THE ABOLITION, SUCH**
24 **AS, BUT NOT LIMITED TO, THE APPOINTMENT OF A**
25 **TRUSTEE, OR ENLISTING THE ASSISTANCE OF ANOTHER**
26 **GOVERNMENT AGENCY;**

27 **"PROVIDED, FURTHER, THAT THE MERGER OR**
28 **CONSOLIDATION MAY COVER GOCCS WHETHER**
29 **CHARTERED OR NONCHARTERED, AND SHALL BE EITHER**
30 **OF THE FOLLOWING RESTRUCTURING MODES TO BE**
31 **DEFINED BY THE GCG:**

1 FOR VIOLATION OF SECTION 5(M) OF THIS ACT OR
2 NONCOMPLIANCE WITH ANY LAWFUL ORDER ISSUED BY
3 THE COMMISSION.”

4 “(O) INVESTIGATE ANY MALFEASANCE, MISFEASANCE, OR
5 NONFEASANCE IN OFFICE ALLEGEDLY COMMITTED BY THE
6 MEMBERS OF THE GOVERNING BOARD OF THE GOCC, AND
7 REFER THE SAME TO THE PROPER GOVERNMENT OFFICE
8 FOR APPROPRIATE ACTION;

9 “(P) AFTER PRELIMINARY INQUIRY, REFER ANY
10 MALFEASANCE, MISFEASANCE, OR NONFEASANCE
11 ALLEGEDLY COMMITTED BY THE SENIOR OFFICERS OF
12 THE GOCC TO THE PROPER BODY FOR APPROPRIATE
13 ACTION; AND

14 “(Q) DIRECT GOCCS AND ITS OFFICERS TO REGULARLY
15 SUBMIT TO THE COMMISSION AN UPDATED INVENTORY
16 OF ITS REAL PROPERTIES, AS WELL AS SHAREHOLDINGS
17 IN PRIVATE OR OTHER GOVERNMENT CORPORATIONS.
18 THE DISPOSITION OF A GOCC’S REAL PROPERTY SHALL
19 REQUIRE THE PRIOR APPROVAL OF THE COMMISSION
20 ACCORDING TO STANDARDS SET FORTH IN THE
21 IMPLEMENTING RULES ISSUED BY THE COMMISSION.”

22 Sec. 3. A new Section denominated as Section 5-A is hereby inserted to read
23 as follows:

24 “SEC. 5-A ORGANIZATIONAL STRUCTURE OF THE GCG -
25 THE GCG SHALL BE COMPOSED OF NINE (9) BUREAUS,
26 EACH OF WHICH SHALL BE HEADED BY A DIRECTOR AND
27 ASSISTED BY AN ASSISTANT DIRECTOR. THESE
28 BUREAUS ARE THE FOLLOWING:

29 [A] THE CORPORATE STANDARDS BUREAU;

30 [B] THE CORPORATE GOVERNANCE A;

1 **[C] THE CORPORATE GOVERNANCE B;**
2 **[D] THE CORPORATE GOVERNANCE C;**
3 **[E] THE LEGAL AFFAIRS BUREAU;**
4 **[F] THE ADMINISTRATIVE AND FINANCE BUREAU;**
5 **[G] THE DISPOSITION AND ASSET MANAGEMENT**
6 **BUREAU;**
7 **[H] THE STRATEGY AND MANAGEMENT BUREAU; AND**
8 **[I] THE INFORMATION AND COMMUNICATIONS**
9 **TECHNOLOGY BUREAU.”**

10 Sec. 4. Section 6 of Republic Act No. 10149 is hereby amended to read as
11 follows:

12 "SEC. 6. Composition of the GCG. —The **[GCG] COMMISSION**
13 shall be composed of five (5) members. The **[Chairman]**
14 **CHAIRPERSON** with the rank of Cabinet Secretary and two (2)
15 members with the rank of Undersecretary shall be appointed by the
16 President. The Secretaries of the Department of Budget and
17 Management and the Department of Finance shall sit as *ex*
18 *officio* members.

19 **“THE CHAIRPERSON AND THE COMMISSIONERS SHALL BE**
20 **CITIZENS AND RESIDENTS OF THE PHILIPPINES, OF GOOD**
21 **MORAL CHARACTER, OF RECOGNIZED PROBITY AND**
22 **INDEPENDENCE, AND MUST HAVE DISTINGUISHED**
23 **THEMSELVES PROFESSIONALLY IN PUBLIC, CIVIC, OR**
24 **ACADEMIC SERVICE IN ANY OF THE FOLLOWING FIELDS:**
25 **LAW, PUBLIC ADMINISTRATION, ACCOUNTING, FINANCE,**
26 **MANAGEMENT, OR ECONOMICS. THEY MUST HAVE BEEN**
27 **IN THE PRACTICE OF THEIR PROFESSIONS FOR AT LEAST**
28 **TEN (10) YEARS.**

29 **THE TERM OF OFFICE OF THE CHAIRPERSON AND THE**
30 **COMMISSIONERS SHALL BE SEVEN (7) YEARS WITHOUT**
31 **REAPPOINTMENT. OF THE FIRST SET OF APPOINTEES, THE**

1 **CHAIRPERSON SHALL HOLD OFFICE FOR SEVEN (7) YEARS**
2 **AND OF THE FIRST TWO (2) COMMISSIONERS, ONE (1)**
3 **SHALL HOLD OFFICE FOR A TERM OF FIVE (5) YEARS AND**
4 **THE OTHER FOR A TERM OF THREE (3) YEARS. IN CASE A**
5 **VACANCY OCCURS BEFORE THE EXPIRATION OF THE TERM**
6 **OF OFFICE, THE APPOINTMENT TO SUCH VACANCY SHALL**
7 **ONLY BE FOR THE UNEXPIRED TERM OF THE**
8 **PREDECESSOR.**

9 **THE CHAIRPERSON AND THE COMMISSIONERS SHALL**
10 **ENJOY SECURITY OF TENURE AND SHALL NOT BE**
11 **SUSPENDED OR REMOVED FROM OFFICE EXCEPT FOR**
12 **JUST CAUSE AS PROVIDED BY LAW.”**

13 Sec. 5. A new subsection to Section 6, denominated as Section 6.1, is hereby
14 inserted to read as follows:

15 **“ SEC. 6.1 EXECUTIVE DIRECTOR OF THE COMMISSION - AN**
16 **EXECUTIVE DIRECTOR, WITH A RANK EQUIVALENT TO AN**
17 **ASSISTANT SECRETARY, SHALL BE APPOINTED BY THE**
18 **PRESIDENT OF THE PHILIPPINES UPON**
19 **RECOMMENDATION BY THE CHAIRPERSON: PROVIDED,**
20 **THAT NO PERSON SHALL BE APPOINTED AS EXECUTIVE**
21 **DIRECTOR UNLESS HE/SHE IS A HOLDER OF A DEGREE IN**
22 **ANY OF THE FOLLOWING FIELDS: ECONOMICS, BUSINESS,**
23 **PUBLIC ADMINISTRATION, LAW, MANAGEMENT OR THEIR**
24 **EQUIVALENT AND HAS AT LEAST TEN (10) YEARS**
25 **RELEVANT EXPERIENCE IN CORPORATE GOVERNANCE:**
26 **PROVIDED, FURTHER, THAT PRIOR TO HIS/HER**
27 **APPOINTMENT, HE/SHE HAS THE REQUISITE**
28 **ELIGIBILITIES FOR THIRD LEVEL CAREER SERVICE**
29 **POSITION PURSUANT TO THE CAREER EXECUTIVE RANK**
30 **SYSTEM.”**

31 **“THE EXECUTIVE DIRECTOR SHALL ASSIST THE**
32 **COMMISSION IN CARRYING OUT THE FUNCTIONS OF THE**

1 **GCG AND SHALL HAVE THE FOLLOWING DUTIES AND**
2 **FUNCTIONS:**

3 **(A) TO IMPLEMENT POLICIES, STANDARDS, RULES,**
4 **AND REGULATIONS PROMULGATED BY THE**
5 **COMMISSION;**

6 **(B) TO EXERCISE GENERAL SUPERVISION OVER THE**
7 **DAY-TO-DAY OPERATIONS OF THE GCG, UNDER THE**
8 **DIRECTION OF THE CHAIRPERSON;**

9 **(C) TO REPRESENT THE GCG IN OFFICIAL FUNCTIONS**
10 **WHICH THE CHAIRPERSON AND THE OTHER**
11 **COMMISSIONERS MAY NOT BE ABLE TO ATTEND; AND**

12 **(D) TO EXERCISE SUCH OTHER DUTIES AND FUNCTIONS**
13 **AS MAY BE DELEGATED BY THE CHAIRPERSON AND THE**
14 **COMMISSIONERS.”**

15 Sec. 6. A new Section denominated as Section 6-A is hereby inserted to read
16 as follows:

17 **“SEC. 6-A. IMMUNITY FROM SUIT. – THE CHAIRPERSON,**
18 **THE COMMISSIONERS, OFFICERS, AND EMPLOYEES OF**
19 **THE COMMISSION SHALL NOT BE SUBJECT TO ANY**
20 **ACTION, CLAIM, OR DEMAND IN CONNECTION WITH ANY**
21 **ACT DONE OR OMITTED BY THEM IN THE PERFORMANCE**
22 **OF THEIR DUTIES AND EXERCISE OF THEIR POWERS,**
23 **EXCEPT FOR THOSE ACTIONS AND OMISSIONS DONE IN**
24 **EVIDENT BAD FAITH OR GROSS NEGLIGENCE.”**

25 Sec. 7. A new Section denominated as Section 6-B is hereby inserted to read
26 as follows:

27 **“SEC. 6-B. INDEMNITY. – UNLESS THE ACTIONS OF THE**
28 **COMMISSION OR ITS CHAIRPERSON, ANY OF ITS**
29 **COMMISSIONERS, OFFICERS, OR EMPLOYEES ARE FOUND**
30 **TO BE IN WILLFUL VIOLATION OF THIS ACT, PERFORMED**
31 **WITH EVIDENT BAD FAITH OR GROSS NEGLIGENCE, THE**

1 COMMISSION, ITS CHAIRPERSON, APPOINTIVE
2 COMMISSIONERS, OFFICERS, AND EMPLOYEES ARE HELD
3 FREE AND HARMLESS TO THE FULLEST EXTENT
4 PERMITTED BY LAW FROM ANY LIABILITY, AND THEY
5 SHALL BE INDEMNIFIED FOR ANY AND ALL LIABILITIES,
6 LOSSES, CLAIMS, DEMANDS, DAMAGES, DEFICIENCIES,
7 COSTS, AND EXPENSES OF WHATSOEVER KIND AND
8 NATURE THAT MAY ARISE IN CONNECTION WITH THE
9 EXERCISE OF THEIR POWERS AND IN THE PERFORMANCE
10 OF THEIR DUTIES AND FUNCTIONS.

11 "THE COMMISSION SHALL UNDERWRITE OR ADVANCE
12 LITIGATION COSTS AND EXPENSES, INCLUDING LEGAL
13 FEES AND OTHER EXPENSES OF EXTERNAL COUNSEL, OR
14 PROVIDE LEGAL ASSISTANCE TO ITS CHAIRPERSON,
15 COMMISSIONERS, OFFICERS, AND EMPLOYEES IN
16 CONNECTION WITH ANY CIVIL, CRIMINAL,
17 ADMINISTRATIVE OR ANY OTHER ACTION OR
18 PROCEEDING, TO WHICH THEY ARE MADE A PARTY BY
19 REASON OF, OR IN CONNECTION WITH, THE EXERCISE OF
20 THEIR AUTHORITY OR THE PERFORMANCE OF THEIR
21 DUTIES AND FUNCTIONS UNDER THIS
22 ACT: PROVIDED, THAT SUCH LEGAL PROTECTION SHALL
23 NOT APPLY TO ANY CIVIL, CRIMINAL, ADMINISTRATIVE,
24 OR ANY ACTION OR PROCEEDING THAT MAY BE
25 INITIATED BY THE COMMISSION, AGAINST SUCH
26 CHAIRPERSON, COMMISSIONERS, OFFICERS, AND
27 EMPLOYEES: PROVIDED, FURTHER, THAT THE
28 CHAIRPERSON, COMMISSIONERS, OFFICERS, AND
29 EMPLOYEES WHO SHALL RESIGN, RETIRE, TRANSFER TO
30 ANOTHER AGENCY OR BE SEPARATED FROM THE SERVICE,
31 SHALL CONTINUE TO BE PROVIDED WITH SUCH LEGAL
32 PROTECTION IN CONNECTION WITH ANY ACT DONE OR

1 **OMITTED TO BE DONE BY THEM IN GOOD FAITH DURING**
2 **THEIR TENURE OR EMPLOYMENT WITH THE**
3 **COMMISSION: PROVIDED, FINALLY, THAT IN THE EVENT**
4 **OF A SETTLEMENT OR COMPROMISE, INDEMNIFICATION**
5 **SHALL BE PROVIDED ONLY IN CONNECTION WITH SUCH**
6 **MATTERS COVERED BY THE SETTLEMENT AS TO WHICH**
7 **THE COMMISSION IS ADVISED BY COUNSEL THAT THE**
8 **PERSONS TO BE INDEMNIFIED DID NOT COMMIT ANY**
9 **NEGLIGENCE OR MISCONDUCT.**

10 **“THE COSTS AND EXPENSES INCURRED IN DEFENDING**
11 **THE AFOREMENTIONED ACTION, SUIT, OR PROCEEDING**
12 **MAY BE PAID BY THE COMMISSION IN ADVANCE OF THE**
13 **FINAL DISPOSITION OF SUCH ACTION, SUIT, OR**
14 **PROCEEDING UPON RECEIPT OF AN UNDERTAKING BY OR**
15 **ON BEHALF OF THE CHAIRPERSON, COMMISSIONER,**
16 **OFFICER, AND EMPLOYEE TO REPAY THE AMOUNT**
17 **ADVANCED SHOULD IT ULTIMATELY BE DETERMINED BY**
18 **THE COMMISSION THAT ONE IS NOT ENTITLED TO BE**
19 **INDEMNIFIED AS PROVIDED IN THIS SECTION.”**

20 Sec. 8. Section 7 of Republic Act No. 10149 is hereby amended to read as
21 follows:

22 “SEC. 7. Powers and Functions of the [Chairman]
23 **CHAIRPERSON.** — The [~~management of the GCG shall be vested~~
24 ~~in the Chairman who~~] **CHAIRPERSON** shall have the following
25 powers and duties:

- 26 (a) Preside over the meetings of the GCG;
27 (b) Direct and manage the day-to-day affairs and business of the
28 GCG;
29 (c) **DETERMINE** [~~With the approval of the GCG, determine~~] the
30 staffing pattern and the number of personnel of the GCG and define
31 their duties and responsibilities;

1 (d) **APPOINT**, [~~With the approval of the GCG, to appoint,~~] remove,
2 suspend, or otherwise discipline for cause, any **DIRECTOR,**
3 **OFFICER, OR** employee of the GCG; and

4 (e) Perform such other duties as may be delegated or assigned to
5 him/**HER** by the GCG from time to time."

6 Sec. 9. Section 17 of Republic Act No. 10149 is hereby amended to read as
7 follows:

8 "SEC. 17. Term of Office. – Any provision in the charters of each
9 GOCC to the contrary notwithstanding, the term of office of each
10 Appointive Director shall be for [~~one (1)~~] **TWO (2)** years, unless
11 sooner removed for cause: Provided, however, That the Appointive
12 Director shall continue to hold office until the successor is
13 appointed. An Appointive Director may be nominated by the GCG
14 for reappointment by the President only if one obtains a
15 performance score of above average or its equivalent or higher in
16 the immediately preceding year of tenure as Appointive Director
17 based on the performance criteria for Appointive Directors for the
18 GOCC." xxx

19 Sec. 10. Section 23 of Republic Act No. 10149 is hereby amended to read as
20 follows:

21 " SEC 23. Limits to Compensation, per Diems, Allowances, and
22 Incentives. – The charters of each of the GOCCs to the contrary
23 notwithstanding, the compensation, per diems, allowances, and
24 incentives of the members of the Board of Directors/Trustees of
25 the GOCCs shall be determined by the GCG [~~using as a reference,~~
26 ~~among others, Executive Order No. 24 dated February 10, 2011~~]:
27 Provided, however, That Directors/Trustees shall not be entitled to
28 retirement benefits as such directors/trustees. **SUCH**
29 **COMPENSATION, PER DIEMS, ALLOWANCES, AND**
30 **INCENTIVES MUST HAVE THE FOLLOWING**
31 **CHARACTERISTICS:**

- 1 **(1) JUST AND EQUITABLE IN ACCORDANCE WITH THE**
2 **PRINCIPLE OF EQUAL PAY FOR WORK OF EQUAL VALUE;**
3 **(2) GENERALLY COMPARABLE WITH THOSE IN THE**
4 **PRIVATE SECTOR DOING COMPARABLE WORK IN**
5 **ORDER TO ATTRACT, RETAIN, AND MOTIVATE A CORPS**
6 **OF COMPETENT MEMBERS OF THE BOARD OF**
7 **DIRECTORS/TRUSTEES;**
8 **(3) PERFORMANCE-BASED WITH DUE CONSIDERATION**
9 **TO INDIVIDUAL AND ORGANIZATIONAL,**
10 **DEVELOPMENTAL, AND REGULATORY PERFORMANCE,**
11 **WHERE APPLICABLE; AND**
12 **(4) FAIR, REASONABLE, AND IN CONSIDERATION OF**
13 **FISCAL REALITIES, SUCH AS THE AVAILABILITY OF**
14 **FUNDS AND THE FINANCIAL CAPABILITY OF THE**
15 **ORGANIZATION.”**

16 Sec. 11. A new Section denominated as Section 32 is hereby inserted, and the
17 subsequent sections consequently renumbered, to read as follows:

18 **“SEC. 32. PENALTIES. — ANY PERSON WHO WILLFULLY**
19 **OBSTRUCTS OR HINDERS THE PROPER EXERCISE OF THE**
20 **FUNCTIONS OF THE COMMISSION OR WILLFULLY**
21 **MISLEADS OR ATTEMPTS TO MISLEAD THE COMMISSION**
22 **OR ANY OF ITS OFFICERS IN REPLYING TO THEIR**
23 **INQUIRIES SHALL BE IMPOSED A FINE OF NOT**
24 **EXCEEDING FIFTY THOUSAND PESOS (P50,000.00).**
25 **LIKewise, ANY PERSON WHO, ACTUATED BY MALICE OR**
26 **GROSS BAD FAITH, FILES A COMPLETELY UNWARRANTED**
27 **OR FALSE COMPLAINT WITH THE COMMISSION SHALL BE**
28 **IMPOSED A SIMILAR FINE NOT EXCEEDING FIFTY**
29 **THOUSAND PESOS (P50,000.00).”**

30 Sec. 12. A new Section denominated as Section 33 is hereby inserted to read
31 as follows:

1 **"SEC. 33. REORGANIZATION. – TO ACHIEVE THE GOALS OF**
2 **THIS ACT, CONSISTENT WITH THE CIVIL SERVICE LAWS,**
3 **THE COMMISSION IS HEREBY AUTHORIZED TO PROVIDE**
4 **FOR ITS REORGANIZATION, TO STREAMLINE ITS**
5 **STRUCTURE AND OPERATIONS, UPGRADE ITS HUMAN**
6 **RESOURCE COMPONENT, CREATE OR ABOLISH**
7 **ORGANIZATIONAL DIVISION, UNITS OR BRANCHES, AND**
8 **CREATE REGIONAL OFFICES."**

9 Sec. 13. *Separability Clause.* - If any provision of this Act is declared
10 unconstitutional or invalid, the other provisions not otherwise affected shall remain in
11 full force and effect.

12 Sec. 14. *Repealing Clause.* - All laws, decrees, executive orders, rules and
13 regulations, and other issuances or parts thereof which are inconsistent with this Act
14 are hereby repealed, amended, or modified accordingly.

15 Sec. 15. *Effectivity.* - This Act shall take effect fifteen (15) days after its
16 publication in at least two (2) newspapers of general circulation.

 Approved,