

Republic of the Philippines
Bangsamoro Autonomous Region in Muslim Mindanao
BANGSAMORO TRANSITION AUTHORITY
Cotabato City

First Regular Session

BTA Parliament Bill No. 50

**Introduced by MP ENGR. BAIN TAN ADIL-AMPATUAN, CSEE
MP ATTY. SUHARTO M. AMBOLOD TO**

AN ACT
ESTABLISHING THE BANGSAMORO TREASURY OFFICE, DEFINING ITS
POWERS AND FUNCTIONS, APPROPRIATING FUNDS
THEREFOR AND FOR OTHER PURPOSES

Explanatory Note

Consistent with the provision of RA 6734 that established the first Autonomous Region in Muslim Mindanao, one of the important legislations enacted by the first Regional Legislative Assembly is Muslim Mindanao Act No. 10-An Act creating the Office of the Regional Treasury to:

- a) Act as principal custodian of all funds of the Autonomous Regional Government;
- b) Formulate annual projections of revenue needs, cash position and borrowing capacity of the Regional Government; and
- c) Adopt implementing strategies for efficient collections of revenues, taxes, fees and charges.

Muslim Mindanao Act No. 287 or the ARMM Administrative Code underscored that it is a declared policy of the Autonomous Regional Government that the Regional Treasury shall be responsible for the evaluation of a system of sound and efficient management of financial resources and to ensure that resources are generated and managed in accordance with regional law and applicable existing national policies.

In addition to its functions, under MMA Act No. 10, the Office of the Regional Treasury is also mandated to initiate the formulation and execution of

Republic of the Philippines
Bangsamoro Autonomous Region in Muslim Mindanao
Bangsamoro Transition Authority Parliament
OFFICE OF THE SECRETARY GENERAL

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regional policies on revenue generation and financial management, public borrowings and capital market development and to conduct research and formulate plan for the creation of revenue sources for legislation purposes.

The role of this revenue agency in the revenue administration and fiscal management functions of the Bangsamoro Government has been emphasized by the Organic Law that established the Bangsamoro Autonomous Region in Muslim Mindanao.

Specifically, Section 4, Article XII on Fiscal Autonomy stipulates that there is hereby created a Bangsamoro Treasury Office whose primary function is to receive and safeguard all the revenues generated and collected by the Bangsamoro Government. The Office shall be headed by a Regional Treasurer who shall be appointed by the Chief Minister and whose term shall be determined by a law to be passed by the Parliament.

Given the foregoing statements, the early passage of this important legislation is respectfully sought.

Be it enacted by the members of the BTA Parliament of the Bangsamoro Autonomous Region in Muslim Mindanao in session assembled:

SECTION 1. Short Title. - This Act shall be known as "Bangsamoro Treasury Act of 2020".

SECTION 2. Declaration of Policy.- It is a declared policy of the Bangsamoro Government that it shall have the power to create its own sources of revenues and to levy taxes, fees and charges, subject to the provisions of the Organic Law consistent with the principles of equalization, equity, accountability, administrative simplicity, harmonization and economic efficiency, and fiscal autonomy. Such taxes, fees and charges shall accrue exclusively to the Bangsamoro Government.

SECTION 3. Establishment of the Office. - To carry out the aforementioned policy as stated in Section 6, Article XII, there is hereby established a Bangsamoro Treasury Office for the Bangsamoro Autonomous Region in Muslim Mindanao whose primary function is to receive and safeguard all revenues generated and collected by the Bangsamoro Government.

SECTION 4. Powers, Functions and Responsibilities. - The Bangsamoro Treasury Office through the Regional Treasurer shall have the following powers and functions:

- a) Act as the principal custodian of all funds of the Bangsamoro Government;
- b) Assist in the formulation of, and execute, policies on financial management, public borrowings and capital market development;
- c) Formulate annual projections of revenue needs, determine cash position, and borrowing capacity of the Bangsamoro Government, its agencies and instrumentalities;
- d) Maintain accounts of the financial transactions of all ministries, bureaus, offices, and agencies of the Bangsamoro Government;
- e) Manage the cash resources of the Bangsamoro Government and perform banking functions in relation to receipts and disbursements of Bangsamoro Government funds;
- f) Conduct research and formulate plan for the creation of revenue resources and submit the same for enactment by the Bangsamoro Transition Authority Parliament;
- g) Adopt implementing strategies for efficient collection of revenues, taxes, fees and charges, non-tax revenues;
- h) Certify estimated income of the Bangsamoro Government as basis in the passage of Bangsamoro Appropriations laws as well as the availability of funds and/or expected funding sources and income estimates for the Bangsamoro Parliament Bills requiring special appropriations;
- i) Release directly, in a prescribed and authenticated format, to the ministries, offices, bureaus, and agencies of the Bangsamoro Government their respective funding in accordance with the approved Regional Appropriations Act by the Parliament;
- j) Release directly the share of the constituent local government units in the national government taxes, fees, and charges collected by the agencies of the national government in the Bangsamoro Region in accordance with the regional law of the Parliament;
- k) Manage, control and service public debts from domestic or foreign sources and undertake all possible measures to see to it that all funds in the Bangsamoro Treasury shall be released and disbursed in accordance with BTA Parliament appropriations law;
- l) In coordination with the Ministry of Finance, Budget and Management, ensures reversion of unutilized ministry funds at the

end of the calendar year in accordance with applicable and established policies, rules and regulations of the Bangsamoro Government;

- m) Perform management functions on the Bangsamoro assets lodged at the Office for custody and investment; and
- n) Perform such other powers and functions as may be authorized by a regional law of the Parliament.

SECTION 5. Organizational Structure and Staffing. - The Bangsamoro Treasury Office shall be headed by a Regional Treasurer who shall act and exercise the powers and functions of a Chief Executive Officer. He/she shall be assisted by Two (2) Assistant Regional Treasurers: a) An Assistant Regional Treasurer for administration who shall assist the Regional Treasurer in the day-to-day management of the office, more specifically those relating to administrative matters: personnel, legal assistance, information, records management, supplies and equipment, security and custodial works and such other works, b) An Assistant Regional Treasurer for operations who shall assist the Regional Treasurer in terms of operations such as but not limited to collection system, research and planning on the creation of sources of revenues and other forms of income, and such other functions as may be assigned by the Regional Treasurer.

The divisions under the Administration Service shall be the following: 1) Administrative; 2) Budget; 3) Accounting; and 4) Cash. The divisions placed under the Operations Service are: 1) Revenue/Non-Tax Revenue; 2) Regional Accounting; 3) Asset Management; 4) Fiscal; 5) Local Operations; and 6) Planning.

Consistent with its mandate to receive, safeguard and raise revenues for the Bangsamoro Autonomous Region in Muslim Mindanao, the Regional Treasurer shall design the organizational structure of the Office and its detailed staffing requirement in accordance with the civil service rules and regulations.

SECTION 6. Qualification and Appointment. - No person shall be appointed by the Chief Minister to the position of Regional Treasurer unless he/she has the following qualifications:

- a) A Bangsamoro, resident and registered voter of the Bangsamoro Autonomous Region;
- b) At least 35 years of age upon appointment;

- c) A Certified Public Accountant, or a member of the Philippine BAR or Masters in Business, Finance, Economics, Accounting, or any related master degree, with at least second level of eligibility;
- d) With at least five years of supervisory experience in the treasury operations or related service;
- e) Of proven competence, honesty and integrity; and
- f) Qualifications (c) and (d) shall take effect in the appointment of the Regional Treasurer after the Bangsamoro Transition period. Said exemption however, does not extend to the Assistant Regional Treasurers.

These qualifications shall also apply to the Assistant Regional Treasurers.

The Regional Treasurer who shall have the rank equivalent to a Cabinet Minister shall be appointed by the Chief Minister for a term of five (5) years without prejudice to one reappointment, unless he/she is sooner resigned, retired, permanently incapacitated or remove from Office. In case of vacancy, the appointee succeeding him/her shall serve only the unexpired portion of his/her term.

The Regional Treasurer shall appoint the rank and file employees of the Office from division chief and below subject to civil service rules and regulations.

The two (2) Assistant Regional Treasurer who shall belong to the Career Service Appointment shall be appointed by the Chief Minister upon the recommendation of the Regional Treasurer.

Subject to the Salary Standardization Law, the Regional Treasurer shall initially receive an annual compensation equivalent to that of a Cabinet Minister.

The Two (2) Assistant Regional Treasurers shall receive annual compensation one grade below the salary of the Regional Treasurer.

SECTION 7. Working with the Ministry of Finance, Budget and Management. - The Bangsamoro Treasury Office shall coordinate and collaborate with the Ministry of Finance, Budget and Management (MFBM)-BARMM for finance policy and programs.

SECTION 8. Relationship with Local Treasurers.- The relationship between the Regional Treasurer and Treasurers of constituent local government units shall be in accordance with the provisions of applicable national and Bangsamoro laws, rules and regulations.

The Regional Treasurer may deputize the Provincial, City and Municipal Treasurers for the exclusive purpose of exercising any of his powers provided for in Section 4 of this Act.

SECTION 9. Appropriations. - The budget of Fifty-four Million Pesos (P54,000,000.00) necessary to finance the initial implementation of this Act shall be charged against the current year's (2020) appropriations of the Bangsamoro Autonomous Region. Thereafter, the regular budget of the Office shall be included in the succeeding Bangsamoro Regional Appropriations Act for its continued operations and functioning.

SECTION 10. Separability. - If for any cause any part of this Act is declared unconstitutional or contrary to the provisions of RA 11054, the remainder of this Act or any provision not affected thereby shall remain in force and effect.

SECTION 11. Effectivity. - This Act shall take effect after fifteen (15) days following the completion of its publication in a newspaper of general circulation in the Bangsamoro Autonomous Region in Muslim Mindanao.

Authors:


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ATTY. SUHARTO M. AMBOLOD TO

Approved:

ATTY. ALI PANGALIAN M. BALINDONG
Speaker

This Act was passed by the Bangsamoro Transition Authority Parliament
on _____ 2020.

PROF. RABY B. ANGKAL
Secretary-General

Approved:

HON. AHOD B. EBRAHIM, Al-Hadj
Chief Minister