



REPUBLIC OF THE PHILIPPINES

Department of Budget and Management
Malacañang, Manila

LEGAL OPINION NO. L-B-2001-01

SUBJECT : Local Government Budgeting – Annual Budget

- ISSUES :**
- (1) Effect of the non-action by the Sangguniang Panlalawigan (SP) on a vetoed Appropriations Ordinance (i.e., item veto) even after the fifteen (15) day reglementary period on the submission of the veto message by the Local Chief Executive.
 - (2) Whether or not the Annual Budget as submitted/proposed by the Local Chief Executive (LCE) is deemed approved in totality when the SP fails to override the veto within 15 days.

FACTS : The Provincial Budget Officer and the Provincial Administrator of the Province of Eastern Samar, sought legal opinion on the effect of the veto of the Local Chief Executive/Sanggunian inaction on the FY 2000 Annual Budget of the Province.

OPINION : **First Issue.** The non-action by the SP on the veto of certain items in the appropriations Ordinance shall render the vetoed item without force and effect until the veto is overridden by the SP.

On this matter, Section 55(b) of the Local Government Code of 1991 (R.A. No. 7160) and Article 415(b) of its Implementing Rules and Regulations expressly provide:

"Sec. 55. Veto Power of the Local Chief Executive. – xxx

(b) The local chief executive, except the punong barangay, shall exercise the power to veto any particular item or items of an appropriations ordinance, or an ordinance or resolutions adopting a local development plan and public investment program, or an ordinance directing the payment of money or creating liability. In such cases, the veto shall not affect the item or items, which are not objected to. The vetoed item or items shall not take effect unless the sanggunian overrides the veto in the manner provided in Rule VII of these Rules; otherwise, the item or items in the appropriations ordinance of the previous year corresponding to those vetoed, if any, shall be deemed reenacted." (Underscoring ours)

"ART. 415. Budget Authorization. - x x x

(b) Veto Power of the Local Chief Executive. x x x

The local chief executive, except the punong barangay, shall exercise the power to veto any particular item or items of an appropriations ordinance, or an ordinance or resolution adopting a local development plan and public investment program, or an ordinance directing in the payment of money or creating liability. In such cases, the veto shall not affect the item or items, which not objected to. The vetoed item or items shall not take effect unless the sanggunian overrides the veto in the manner provided in Rule XVII of these Rules; otherwise, the item or items in the appropriations ordinance of the previous year corresponding to those vetoed, if any, shall be deemed reenacted." (underscoring ours)

R.A. No. 7160 does not provide for a reglementary period which restricts the period of exercise of override by the Sanggunian concerned of the veto by the LCE. Hence, the same may be done even beyond 15 days from the submission of the veto message by the latter.

Second Issue. The Appropriations Ordinance enacted by the Sanggunian and approved by the Governor authorizing the Annual Budget for FY 2000 of the Province is deemed the Annual Budget of the Province, except the vetoed items which shall have no force and effect, until the veto is overridden.

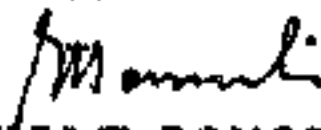
It should be noted, however, that as provided in the above-quoted provisions of R.A. No. 7160 and its IRR, the item or items in the appropriations ordinance of the previous year corresponding to those vetoed, if any, shall be deemed reenacted.

REFERENCE: Memorandum of the Secretary dated 07 May 2001 to DBM RO-VIII

Recommended:


JANET B. ABUEL
Director, LLS

Approved:


EMILIA T. BONCODIN
Secretary