



Republic of the Philippines
Supreme Court
 Manila

SUPREME COURT OF THE PHILIPPINES
 PUBLIC INFORMATION
RECEIVED
 OCT 10 2019
 BY: *Henry*
 TIME: *4:12 pm*

EN BANC

ESTRELLA ABID-BABANO,
 Petitioner,

G.R. No. 201176

Present:

BERSAMIN, C.J.,
 CARPIO,
 PERALTA,
 PERLAS-BERNABE,
 LEONEN,
 JARDELEZA,
 CAGUIOA,
 REYES, JR., A.,
 GESMUNDO,
 REYES, JR., J.,
 *HERNANDO,
 CARANDANG,
 LAZARO-JAVIER,
 INTING, and
 ZALAMEDA, JJ.

- versus -

Promulgated:

EXECUTIVE SECRETARY,
 Respondent.

August 28, 2019

X-----X

DECISION

BERSAMIN, C.J.:

The requirement under Republic Act No. 6713¹ and similar laws that the sworn statement of assets, liabilities, and net worth (SALN) to be filed by every government official must include assets, liabilities, and net worth of the spouse of the filer is construed not to include the assets, liabilities, and net worth of spouses whose property regime during the marriage is by law or by agreement prior to the marriage one of complete separation of property.

* On official leave.

¹ Code of Conduct and Ethical Standards for Public Officials and Employees.

The Case

Petitioner appeals the adverse decision promulgated on October 21, 2011,² whereby the Court of Appeals (CA) affirmed the decision of the Office of the President (OP) finding her guilty of simple neglect of duty for her failure to disclose in her SALN certain motor vehicles belonging to her husband, himself a public servant required to file his own SALN.³

Antecedents

The undisputed facts, as quoted from the assailed decision of the CA, are as follows:

This refers to [the] July 3, 2007 Resolution of the Presidential Anti-Graft Commission (PAGC) recommending the suspension of [respondent in the proceedings *a quo* and petitioner herein] DepEd Regional Director Estrella Abid Babano for six (6) months and one (1) day to one (1) year, in this wise:

“WHEREFORE, PREMISES CONSIDERED, the Commission finds the [petitioner], Estrella Abid Babano Regional Director of Department of Education-Region XII, GUILTY of violating Section 8 of R.A. No. 6713 and Section 46(b)(1) of E.O. 292 for her failure to declare in her SALN for the years 2000 to 2005 two vehicles registered under the name of her spouse. On the other hand, the Commission finds the [petitioner] NOT GUILTY of violating Section 7 of R.A. 3019 and Section 8 of R.A. No. 6713 for her failure to declare that she had three (3) lots in Naawan, Misamis Oriental instead of one (1) lot. Likewise the Commission found [petitioner] NOT GUILTY of violating Section 46(b)(3) and (13) of E.O. 292. Accordingly, applying the guidelines in the application of penalty in Rule XIV of Section 22 of the Omnibus Rules Implementing Book V of E.O. 292, the penalty to be imposed should be **SUSPENSION FOR SIX MONTHS AND ONE DAY TO ONE YEAR** with its accessory penalties under Section 12 of the same law.

SO RESOLVED.”

[Prior thereto, or on] March 20, 2007, finding [a] *prima facie* case on [the] anonymous complaint, the PAGC formally charged [petitioner] Babano for violation of Section 7, RA 3019 and Section 8, RA 6713 arising from her failure to disclose in her Statement of Assets, Liabilities and [Net Worth] (SALN) certain real properties and motor vehicles, as follows:

² *Rollo*, pp. 21-27; penned by Associate Justice Edgardo T. Lloren, with Associate Justice Romulo V. Borja and Associate Justice Carmelita Salandanan-Manahan concurring.

³ *Id.* at 54-56.

“XXX XXX XXX

2. That contrary to her declaration that there is only one (1) home lot situated in Naawan Misamis Oriental, Dir. Babano actually owns three (3) residential lots in Brgy. Linangcayan, Misamis Oriental as evidenced by Tax Declaration Nos. G-004400, G-004398, and G-004401, respectively...;
3. That aside from the above-mentioned, Dir. Babano further failed to declare in her SALN for the years 2000-2005 the following vehicles to wit: one (1) 1997 Isuzu Hilander with Plate No. KCC 329 and one (1) 1996 Honda Civic with Plate No. GHR 999 ...;

XXX XXX XXX”

Interposing the defenses that the undeclared motor vehicles are not her[s] but of her husband, Macmod S. Pangandaman, and the fact that she correctly declared the amount of P400,000.00 in her SALN corresponding to the acquired assets although their details were inaccurately stated due to inadvertence, [petitioner] denied the charges.

The PAGC found [petitioner] not liable of the charge under paragraph 2 on the ground that the purpose of the law is already served by [her] disclosure of the value of the property and there is a basis for comparison for her wealth before and during the time she served as public officer. “It is clear and proven that the three (3) lots which are the subject of the Deed of Absolute Sale are the same lots discovered by the Commission to be owned by [petitioner] in Naawan, Misamis Oriental.” PAGC explained that:

“[Petitioner] in her SALN, list[s] the property as a 'house and lot' despite the fact that the property is actually composed of a house and three lots. However, [she] correctly indicated that the acquisition cost of the said 'house and lot' as Four Hundred Thousand Pesos (Php 400,000), which is the consideration in the Deed of Sale.”

Anent the charge under paragraph 3, PAGC found [petitioner] “guilty of simple neglect of duty for failing to perform her legal obligation to disclose her assets, liabilities and [net worth], including that of her spouse as mandated by law. [Petitioner] herself admitted that her own spouse owns an Isuzu Highlander (sic) and a Honda Civic. These properties should have been reported in her SALN. Her failure to do so exposes her to disciplinary actions.” According to PAGC, “Section 8 (A) of R.A. 6713 requires public officials and employees to file under oath ‘their Statement of Assets, Liabilities and Net Worth and a Disclosure of Business Interest and Financial Connections and those of their spouses and unmarried children under eighteen (18) years of age living in their households.’” Also, PAGC noted that for want of proof of intent to deceive the government, [petitioner] cannot be held liable for dishonesty and/or falsification.⁴

⁴ Id. at 22-23.

Ruling of the OP

In its decision issued on October 19, 2007,⁵ the OP upheld the recommendations and findings of the Presidential Anti-Graft Commission (PAGC) except that on the penalty, and disposed thusly:

WHEREFORE, premises considered, Estrella Abid Babano, Regional Director, Department of Education-Region XII, is guilty of Simple Neglect of Duty and hereby **SUSPENDED** from the service for six (6) months with accessory penalty under the law.

SO ORDERED.⁶

Decision of the CA

Petitioner appealed the decision of the OP by petition for review on the following grounds, namely: (1) both petitioner and her husband were Muslims whose property regime was that of complete separation of property as provided by Presidential Decree No. 1083 (*Code of Muslim Personal Laws*); (2) petitioner's husband did not live with her in her household but with his first wife in a separate household; and (3) he was also a government employee who "ha[d] or ought to have filed his own SALN."⁷

The CA denied the petition for review on October 21, 2011,⁸ and affirmed the ruling of the OP, holding that:

FOR REASONS STATED, the Petition for Review is DENIED.
The assailed Decision of the Office of President is AFFIRMED *in toto*.

SO ORDERED.⁹

Petitioner moved for reconsideration, but the CA denied her motion on February 24, 2012.¹⁰

Issue

It is noted at the outset that all charges against petitioner were dismissed save for the administrative charge of neglect in relation to her

⁵ Id. at 54-55.

⁶ Id. at 55.

⁷ Id. at 24.

⁸ Id. at 21-27.

⁹ Id. at 27.

¹⁰ Id. at 30.

2.

non-disclosure in her SALNs of the vehicles owned by her husband. Hence, this appeal dwells on sole issue of:

WHETHER OR NOT THE NON-INCLUSION BY PETITIONER IN HER SALN OF THE VEHICLES OWNED BY AND REGISTERED IN THE NAME OF HER HUSBAND IS CORRECT OR A NEGLECT OF DUTY OR A MISTAKE IN GOOD FAITH.¹¹

Ruling of the Court

The appeal is meritorious.

The requirement of filing the SALN is imposed by no less than the 1987 Constitution, and its objectives are to promote transparency in the civil service and to establish a deterrent against government officials bent on enriching themselves through unlawful means.

To implement the constitutional imposition, Republic Act No. 6713 was adopted, under whose Section 8¹² every government official or employee is required to accomplish and submit a sworn statement completely disclosing his or her assets, liabilities, net worth, and financial and business interests, including those of his/her spouse and unmarried children under 18 years of age living in their households. The requirement for the SALN was previously implemented through Republic Act No. 3019 (*Anti-Graft and Corrupt Practices Act*), which relevantly provided:

SECTION 7. *Statement of assets and liabilities.* — Every public officer, within thirty days after the approval of this Act or after assuming office, and within the month of January of every other year thereafter, as well as upon the expiration of his term of office, or upon his resignation or separation from office, shall prepare and file with the office of the corresponding Department Head, or in the case of a Head of Department or chief of an independent office, with the Office of the President, or in the case of members of the Congress and the officials and employees thereof, with the Office of the Secretary of the corresponding House, a true detailed and sworn statement of assets and liabilities, including a statement of the amounts and sources of his income, the amounts of his personal and family expenses and the amount of income taxes paid for the next preceding calendar year: *Provided*, That public officers assuming office less than two months before the end of the calendar year, may file their first statements in the following months of January.

¹¹ Id. at 11.

¹² Section 8. *Statements and Disclosure.* — Public officials and employees have an obligation to accomplish and submit declarations under oath of, and the public has the right to know, their assets, liabilities, net worth and financial and business interests including those of their spouses and of unmarried children under eighteen (18) years of age living in their households. xxx

The purpose of the law on SALN disclosure is to suppress any questionable accumulation of wealth that usually results from the non-disclosure of such matters.¹³

Petitioner filed her SALN but did not disclose therein the motor vehicles pertaining to her husband. She contended in her defense that she was not obliged to include the properties of her husband in her SALN because “her understanding was that she should include in her SALN (only) the assets, liabilities, net worth and financial business interest of her husband Macmod S. Pangandaman found in their common household.”¹⁴

However, both the CA and the OP held petitioner liable for simple neglect of duty for her omissions. As the CA pointed out, Republic Act No. 6713 required petitioner’s disclosure in her SALN of properties pertaining to her spouse without exception, *viz.* :

The law specifically provides that the public official must include in her SALN the above-enumerated items including those pertaining to her spouse. The law does not provide an exception to anybody. It does not state that the SALN is subject to whatever property regime the spouses may have agreed to other than that of absolute community property. *Ubi lex non distinguit nec nos distinguere debemos*. When the law makes no distinction, this Court also ought not to recognize any distinction.¹⁵

Upon careful consideration of the circumstances of this case, the Court finds that sufficient legal and equitable reasons existed to warrant the granting of the petition for review on *certiorari*, and the consequent reversal of the adverse ruling of the CA.

Both petitioner and her husband were Muslims. She was his second wife. Article 38 of the *Code of Muslim Personal Laws* specifically defines their regime of property relations as Muslims to be one of complete separation of property, to wit:

Article 38. *Regime of property relations*. The property relations between the spouses, in the absence of any stipulation to the contrary in the marriage settlements or any other contract, shall be governed by the regime of complete separation of property in accordance with this Code and, in a suppletory manner, by the general principles of Islamic law and the Civil Code of the Philippines.

¹³ *Daplas v. Department of Finance and the Office of the Ombudsman*, G.R. No. 221153, April 17, 2017, 823 SCRA 44, 52-53.

¹⁴ *Rollo*, p. 24.

¹⁵ *Id.* at 25.

Article 42¹⁶ of the *Code of Muslim Personal Laws* lays down the effect of the regime of complete separation of property for Muslim spouses, and each spouse fully exercises all acts of ownership and administration over his or her own exclusive property, without any need for consent from the other spouse.

As to what are considered the exclusive property of either spouse, Article 41 of the *Code of Muslim Personal Laws* states:

ARTICLE 41. *Exclusive property of each spouse.* — The following shall be the exclusive property of either spouse:

- (a) Properties brought to the marriage by the husband or the wife;
- (b) All income derived by either spouse from any employment, occupation or trade;
- (c) Any money or property acquired by either spouse during marriage by lucrative title;
- (d) The dower (*mahr*) of the wife and nuptial gifts to each spouse;
- (e) Properties acquired by right of redemption, purchase or exchange of the exclusive property of either; and
- (f) All fruits of properties in the foregoing paragraphs.

In view of Section 38 of the *Code of Muslim Personal Laws*, the exemption of petitioner from the disclosure requirement should be clear and undisputed. As such, petitioner's non-disclosure in her SALN of the properties pertaining to her husband and held by her husband *outside of her own household with him* was not actionable.

Interestingly, similar consequences apply even to non-Muslim marriages whose property regime is one of complete separation. Under the *Civil Code*, which also has suppletory application to the *Code of Muslim Personal Laws*, the consequence of the property regime of complete separation is found in Article 214 of the *Civil Code*, viz.:

Art. 214. Each spouse shall own, dispose of, possess, administer and enjoy his or her own separate estate, **without the consent of the other**. All earnings from any profession, business or industry shall likewise belong to each spouse.

¹⁶ Article 42. *Ownership and administration.* Each spouse shall own, possess, administer, enjoy and dispose of his or her own exclusive estate even without the consent of the other. However, the court may, upon petition of either spouse, grant to the other the administration of such property.

To the same effect is the *Family Code*, whose Article 145 declares:

Art. 145. Each spouse shall own, dispose of, possess, administer and enjoy his or her own separate estate, **without need of the consent of the other**. To each spouse shall belong all earnings from his or her profession, business or industry and all fruits, natural, industrial or civil, due or received during the marriage from his or her separate property.

As the foregoing legal provisions indicate, each spouse in marriages covered by the regime of complete separation of property may exercise *complete dominion* over his or her exclusive estate. No permission or consent is required before one spouse can exercise acts of ownership or administration. Logically, under the regime of complete separation of property, each spouse may unilaterally acquire or dispose property without notifying the other spouse. Moreover, a spouse cannot prevent or interfere with the ownership, disposal, possession, administration, and enjoyment of exclusive property by the other spouse, including all fruits and earnings arising therefrom. The owner-spouse can even bind or encumber his or her own exclusive property without the conformity or knowledge of the other. Thus, to still require a public official or employee to include in his or her SALN the separate property of his or her spouse is inequitable as well as cumbersome.

We declare, therefore, that petitioner was unwarrantedly declared liable either under Republic Act No. 6713 or Republic Act No. 3019 for her failure to include her husband's exclusive properties in her SALN.

It is not amiss to remind ourselves that this Court, in discerning the purpose of the requirement for the SALN disclosure under Republic Act No. 3019, has held:

In the case of *Carabeo v. Court of Appeals*, citing *Ombudsman v. Valeroso*, the Court restated the rationale for the SALN and the evils that it seeks to thwart, to wit:

Section 8 above, speaks of *unlawful acquisition* of wealth, the evil sought to be suppressed and avoided, and Section 7, which mandates full disclosure of wealth in the SALN, is a means of preventing said evil and is aimed particularly at curtailing and minimizing, the opportunities for official corruption and maintaining a standard of honesty in the public service. **“Unexplained” matter normally results from “non-disclosure” or concealment of vital facts.** SALN, which all public officials and employees are mandated to file, are the means to achieve the policy of accountability of all public officers and employees in the government. **By the SALN, the public [is] able to monitor movement in the**

fortune of a public official; it is a valid check and balance mechanism to verify undisclosed properties and wealth.¹⁷

Without doubt, the objective for requiring the inclusion of the properties of the public employee's spouse and their unmarried children pursuant to Section 8 of Republic Act No. 3019 is to obviate the possibility that said public employee might use his or her spouse or unmarried children to accumulate and conceal ill-gotten wealth, taking into account said public official may have proprietary or controlling interest in the properties of his spouse or unmarried child.

The addition of the threshold age for unmarried children under Republic Act No. 6713 in relation to the SALN disclosure requirement was rationalized by Senator Rene Saguisag in his sponsorship speech of the legislative proposal, to wit:

On age, since there is a requirement here – that a public official has to report the assets, liabilities, net worth, business and financial interest of minors living with the public official, we decided to lower the cut-off age to 18, and he must be living with the public official. In one of the bills now before us, it is entirely possible even for an 18-year old to be an acting mayor. If he lives separately from his parent who is a public official, it seems pointless to require his parents to include him in the reporting requirement.¹⁸

The legislative intent to exempt the properties of children who are already 18 years old and older from the SALN disclosure requirement appears to be rooted in the legal concept of emancipation. Under Article 234 of the *Family Code*, as amended, emancipation takes place by the attainment of majority which commences at the age of eighteen years. The law decrees that the legal consequence of emancipation is the termination of “parental authority over the person and property of the child who shall then be qualified and responsible for all acts of civil life, save the exceptions established by existing laws in special cases.”¹⁹

If the rationale for excluding the properties of the public official's emancipated child from the SALN is the child's legal capacity to hold property independently and separately from the parents, that rationale should equally apply to a public official's spouse, who by law or by ante-nuptial agreement, may unilaterally acquire and dispose of his or her own properties under a regime of complete separation of property. Indeed, the evil sought to be prevented by our laws on the SALN, *i.e.* that a spouse would be used to conceal from the public the full extent of a government employee's wealth and financial/proprietary interests, does not exist in the case of a public

¹⁷ *Office of the Ombudsman v. Valencia*, G.R. No. 183890, April 13, 2011, 648 SCRA 753, 766-767.

¹⁸ Record of the Senate, October, 13, 1987, Vol. 1, No. 55, p. 1512-1513.

¹⁹ Article 236 of the *Family Code*, as amended by Republic Act No. 6809.

employee and his/her spouse whose property regime is complete separation of property considering that whatever properties are held by each spouse is exclusively his/her own and can only be counted towards his/her own "wealth."


We cannot subscribe to the simplistic view adopted by CA and the OP that the legal implications of such marriage property regimes should be disregarded because Republic Act No. 3019 and Republic Act No. 6713 are silent on the effect of marriage property regimes on the SALN disclosure requirement. The view completely ignores the spirit animating the enactment of the statutory requirement. That is impermissible under any just and democratic society. Indeed, in the application of the letter of the law, which is usually hard or harsh, the spirit must not be ignored, for that is the law of the statute.


WHEREFORE, the Court (a) **GRANTS** the petition for review on *certiorari*; (b) **REVERSES** and **SETS ASIDE** the decision promulgated on October 21, 2011 and the resolution promulgated on February 24, 2012 by the Court of Appeals in CA-G.R. SP No. 02163; and (c) **DISMISSES** the administrative charge against petitioner, without pronouncement on costs of suit.


SO ORDERED.


LUCAS P. BERSAMIN
Chief Justice

WE CONCUR:


ANTONIO T. CARPIO
Associate Justice


DIOSDADO M. PERALTA
Associate Justice


ESTELA M. PERLAS-BERNABE
Associate Justice

See separate concurring opinion

MARVIC M.V.F. LEONEN
Associate Justice

(NO PART)
FRANCIS H. JARDELEZA
Associate Justice


ALFREDO BENJAMIN S. CAGUIOA
Associate Justice

Reyes
ANDRES B. REYES, JR.
Associate Justice

Gesmundo
ALEXANDER G. GESMUNDO
Associate Justice

J. L. Reyes, Jr.
JOSE C. REYES, JR.
Associate Justice

(ON OFFICIAL LEAVE)
RAMON PAUL L. HERNANDO
Associate Justice

Carandang
ROSMARI D. CARANDANG
Associate Justice

Lazaro-Javier
AMY C. LAZARO-JAVIER
Associate Justice

Inting
HENRI JEAN PAUL B. INTING
Associate Justice

Zalameda
RODIL V. ZALAMEDA
Associate Justice

CERTIFICATION

Pursuant to Section 13, Article VIII of the Constitution, I certify that the conclusions in the above Decision had been reached in consultation before the case was assigned to the writer of the opinion of the Court's Division.

Bersamin
LUCAS P. BERSAMIN
Chief Justice

CERTIFIED TRUE COPY

Aricheta
EDGAR O. ARICHETA
Clerk of Court En Banc
Supreme Court

EN BANC

G.R. No. 201176 – ESTRELLA ABID-BABANO, *petitioner*, v.
EXECUTIVE SECRETARY, *respondent*.

Promulgated:
August 28, 2019

x-----x

CONCURRING OPINION

LEONEN, J.:

I concur with this Court's finding that petitioner Estrella Abid-Babano cannot be held liable for not disclosing her husband's exclusive properties in her Statement of Assets, Liabilities, and Net Worth, considering the regime of complete separation of property that governs their marriage.

Moreover, petitioner should not have been charged with violations of Republic Act No. 3019 and Republic Act No. 6713 without first having been given the opportunity to correct the alleged defects in her statement. Absent the observance of the review and compliance procedure mandated by law, public officers should not be held liable for inaccuracies in their statements.

The duty of public officers or employees to submit a statement of their assets, liabilities, and net worth is both constitutionally and statutorily mandated. Article XI, Section 17 of the Constitution requires public officers or employees to submit their sworn statements upon their assumption of office:

SECTION 17. A public officer or employee shall, upon assumption of office and as often thereafter as may be required by law, submit a declaration under oath of his assets, liabilities, and net worth. In the case of the President, the Vice-President, the Members of the Cabinet, the Congress, the Supreme Court, the Constitutional Commissions and other constitutional offices, and officers of the armed forces with general or flag rank, the declaration shall be disclosed to the public in the manner provided by law.

In addition, more frequent submissions are required under the law. Republic Act No. 6713, or the Code of Conduct and Ethical Standards for Public Officials and Employees, and Republic Act No. 3019, or the Anti-Graft and Corrupt Practices Act, require annual submissions of a statement

of assets, liabilities, and net worth.¹ A public officer or employee must also file a statement after his or her separation from service.²

A statement of assets, liabilities, and net worth is an instrument that promotes accountability. Republic Act No. 6713 embodies the policy that public officials and employees shall at all times be accountable to the people, in line with the longstanding principle that public office is a public trust.³

Disclosures in the statement aim to guard the public against a public officer or employee's unexplained accumulation of wealth that is grossly disproportionate to his or her income or other sources of income.⁴ As the statement contains a list of his or her assets, liabilities, net worth, and financial and business interests, it serves as a mechanism to keep the public servant always in check and answerable to the public for his or her financial wealth. After all, one only occupies public office based on public trust. Disclosures in the statement play a critical role in ensuring that the government remain free from corruption and that public officers and employees be truthful and faithful in discharging their duties.⁵

Necessarily, the policy is achieved when there is a full disclosure of a public officer or employee's assets and liabilities. Assets that do not contribute to his or her wealth and net worth, therefore, need not be included, as in petitioner's case.

To stress the importance of the statement of assets, liabilities, and net worth, Republic Act No. 6713 and Republic Act No. 3019 provide the effects of failure to disclose the necessary information. A public officer or employee who violates the requirements under this law exposes him or herself to both administrative and criminal liability.⁶

Nonetheless, the law does not automatically impose liability on erring public officers. Section 10⁷ of Republic Act No. 6713 sets up a review and

¹ Republic Act No. 6713 (1989), sec. 8(A); Republic Act No. 3019 (1960), sec. 7.

² Republic Act No. 6713 (1989), sec. 8(A); Republic Act No. 3019 (1960), sec. 7.

³ CONST., art. XI, sec. 1.

⁴ J. Leonen, Dissenting Opinion in *Republic v. Sereno*, G.R. No. 237428, May 11, 2018, <<http://elibrary.judiciary.gov.ph/thebookshelf/showdocsfriendly/1/64003>> [Per J. Tijam, En Banc].

⁵ Id.

⁶ Republic Act No. 6713 (1989), secs. 11–12; Republic Act No. 3019 (1960), sec. 9(b).

⁷ Republic Act No. 6713 (1989), sec. 10 provides:

SECTION 10. Review and Compliance Procedure. — (a) The designated Committees of both Houses of the Congress shall establish procedures for the review of statements to determine whether said statements which have been submitted on time, are complete, and are in proper form. In the event a determination is made that a statement is not so filed, the appropriate Committee shall so inform the reporting individual and direct him to take the necessary corrective action.

(b) In order to carry out their responsibilities under this Act, the designated Committees of both Houses of Congress shall have the power within their respective jurisdictions, to render any opinion

compliance procedure for all statement submissions. It gives public officers an opportunity to correct erroneous entries or to supply missing information in their statements.

Every government office or agency is, thus, required to create a Review and Compliance Committee that is tasked with receiving statement submissions and evaluating if they have been filed on time, completely, and in the proper form. The Committee then prepares lists of employees who: (a) filed their statements with complete data; (b) filed their statements but with incomplete data; (c) did not file their statements.⁸

From these lists, the office or agency head has the ministerial duty to issue a compliance order to those employees who have incomplete data and those who did not file their statements. The head shall require these employees to correct or supply the desired information or to file their statements, as the case may be, within 30 days.⁹

This procedure is an important feature of Republic Act No. 6713. Correcting entries or supplying missing information in the statement absolves the public officer or employee of administrative liability.¹⁰ The Rules Implementing the Code of Conduct and Ethical Standards for Public Officials and Employees, as amended, provides that only after failure to comply within the 30-day period, as stated in the compliance order, will the public officer or employee be subject to disciplinary action.¹¹

This review and compliance procedure serves as a mechanism that affords the public officer or employee a final opportunity to comply with the requirements before any sanction is meted out. It seeks a fuller and more accurate disclosure of the necessary information. While the statement of assets, liabilities, and net worth is an instrument that ensures accountability, the review and compliance procedure works as a buffer that prevents the haphazard filing of actions against public officials and employees.

interpreting this Act, in writing, to persons covered by this Act, subject in each instance to the approval by affirmative vote of the majority of the particular House concerned.

The individual to whom an opinion is rendered, and any other individual involved in a similar factual situation, and who, after issuance of the opinion acts in good faith in accordance with it shall not be subject to any sanction provided in this Act.

(c) The heads of other offices shall perform the duties stated in subsections (a) and (b) hereof insofar as their respective offices are concerned, subject to the approval of the Secretary of Justice, in the case of the Executive Department and the Chief Justice of the Supreme Court, in the case of the Judicial Department.

⁸ CSC Resolution No. 13-00455 (2013).

⁹ CSC Resolution No. 13-00174 (2013), sec. 3.

¹⁰ Republic Act No. 6713 (1989), sec. 10.

¹¹ Rules Implementing the Code of Conduct and Ethical Standards for Public Officials and Employees, Rule VIII (1989), sec. 4, as amended by CSC Resolution No. 06-0231 (2006) and CSC Resolution No. 13-00174 (2013).

In *Atty. Navarro v. Office of the Ombudsman*,¹² this Court emphasized the importance of informing the public officer or employee of any defect in his or her statement. This procedure, as mandated by Republic Act No. 6713 and its Implementing Rules, allows him or her to take the necessary corrective action before being held administratively liable. In *Atty. Navarro*:

Although it is the duty of every public official/employee to properly accomplish his/her SALN, it is not too much to ask for the head of the appropriate department/office to have called his attention should there be any incorrectness in his SALN. The DOF, which has supervision over the BIR, could have directed Navarro to correct his SALN. This is in consonance with the above-quoted Review and Compliance Procedure under R.A. No. 6713, as well as its Implementing Rules and Regulations (IRR), providing for the procedure for review of statements to determine whether they have been properly accomplished. To reiterate, it is provided in the IRR that in the event authorities determine that a SALN is not properly filed, they should **inform the reporting individual and direct him to take the necessary corrective action.**

....

The Court is mindful of the duty of public officials and employees to disclose their assets, liabilities and net worth accurately and truthfully. In keeping up with the constantly changing and fervent society and for the purpose of eliminating corruption in the government, the new SALN is stricter, especially with regard to the details of real properties, to address the pressing issue of transparency among those in the government service. Although due regard is given to those charged with the duty of filtering malicious elements in the government service, it must still be stressed that such duty must be exercised with great caution as grave consequences result therefrom. Thus, some leeway should be accorded the public officials. They must be given the opportunity to explain any prima facie appearance of discrepancy. To repeat, where his explanation is adequate, convincing and verifiable, his assets cannot be considered unexplained wealth or illegally obtained.¹³ (Emphasis in the original)

Thus, to be more aligned with the purpose and text of the law, the proper procedure should be: if the Review and Compliance Committee finds that a statement of assets, liabilities, and net worth was not submitted on time, was incomplete, or was not in proper form, the public officer or employee must be given the opportunity to take corrective action.¹⁴ Only after this can the authorities determine whether there is unexplained wealth. Without undergoing this procedure, the public officer should not be held administratively liable.¹⁵

¹² 793 Phil. 453 (2016) [Per J. Mendoza, Second Division].

¹³ Id. at 476-478.

¹⁴ J. Leonen, Separate Concurring and Dissenting Opinion in *San Diego v. Fact-Finding Investigation Committee*, G.R. No. 214081, April 10, 2019, <<http://elibrary.judiciary.gov.ph/thebookshelf/showdocs/1/65165>> [Per J. Peralta, Third Division].

¹⁵ Id.

In this case, despite the requirement under the law, the records do not show that petitioner's case underwent the review and compliance procedure to allow her to supply the alleged incomplete data in her Statement of Assets, Liabilities, and Net Worth. Instead, the Presidential Anti-Graft Commission, merely acting on an anonymous complaint and after finding a *prima facie* case, formally charged her with violations of Republic Act No. 3019 and Republic Act No. 6713.¹⁶

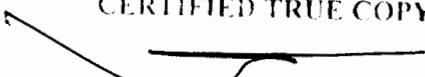
ACCORDINGLY, I vote to **GRANT** the Petition.



MARVIC M.V.F. LEONEN
Associate Justice

¹⁶ Ponencia, p. 2.

CERTIFIED TRUE COPY



EDGAR O. ARICHETA
Clerk of Court En Banc
Supreme Court