S. No. 2982 H. No. 11358

Republic of the Philippines Congress of the Philippines

Aletro Alanila

Nineteenth Congress

Third Regular Session

Begun and held in Metro Manila, on Monday, the twenty-second day of July, two thousand twenty-four.

[REPUBLIC ACT No. 12233]

AN ACT DEFINING THE SCOPE AND EXTENT OF THE FISCAL AUTONOMY OF THE JUDICIAL BRANCH OF THE GOVERNMENT AND FOR OTHER PURPOSES

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

SECTION 1. Short Title. – This Act shall be known as the "Judiciary Fiscal Autonomy Act".

SEC. 2. Declaration of Policy. – It is hereby declared the policy of the State to affirm and strengthen the Constitutional mandate and powers of the Judiciary as a co-equal branch of government. To this end, the State affirms and strengthens the fiscal autonomy of the Judiciary enshrined in the Constitution, which declares that the appropriations for the Judiciary may not be reduced below the amount appropriated

for the previous year and, after approval by Congress, shall be automatically and regularly released.

- SEC. 3. Submission of Annual Budget Proposal. The Supreme Court shall submit to the Department of Budget and Management (DBM) the annual budget proposal for the Judiciary, detailing its budget of expenditures and sources of financing (BESF), and reflecting total revenues and expenses: Provided, That the original budget proposal prepared by the Supreme Court shall be included as an attachment to the National Expenditure Program (NEP): Provided, further, That the DBM may submit its comments and recommendations thereon.
- SEC. 4. Augmentation, Modification, Automatic Release, and Post-Audit. Upon the approval of the total budget for the Judiciary:
- (a) The Chief Justice is authorized to augment any item for the Judiciary in the general appropriations law from savings in other items appropriated for the Judiciary.
- (b) The Chief Justice, through an *en banc* resolution, may modify the allotment within the same activity or project: (1) from one allotment class to another, except capital outlays; or (2) from one operating unit to another.
- (c) The DBM shall automatically release to the Supreme Court, without need for any request, the monthly cash requirements of the Judiciary or one-twelfth (1/12) of the total budgetary support. The releases shall not be conditioned on approved work and financial plans, or any other financial report. The Supreme Court shall submit quarterly accomplishment and financial reports to the President and to Congress.
- (d) All expenditures and revenues of the Judiciary shall be subject to post-audit by the Commission on Audit (COA), under pertinent laws, rules, and regulations.
- SEC. 5. Judiciary Trust Fund. In lieu of the Judiciary Development Fund (JDF) under Presidential Decree No. 1949, there is hereby created a trust fund dedicated to the use of the Judiciary, to be known as the Judiciary Trust Fund. All

the funds collected for or accruing to the Judiciary may be deposited and kept in the said trust fund, from which funds needed for its operations shall be drawn. The Judiciary Trust Fund shall include, but not be limited to, the following:

- (a) Legal fees collected by the Judiciary pursuant to Rule 141 of the Rules of Court, as amended;
 - (b) Existing funds of the JDF; and
- (c) All interests or income derived from the Judiciary Trust Fund.

The Chief Justice shall administer and allocate the Judiciary Trust Fund and shall approve and authorize its disbursements and expenditures, in accordance with the provisions of this Act and its implementing rules and regulations. The amounts accruing to the Judiciary Trust Fund shall be deposited by the Chief Justice or a duly authorized representative in an authorized government depositary bank.

All expenditures and revenues of the Judiciary Trust Fund shall be subject to post-audit by the COA, under pertinent laws, rules, and regulations.

- SEC. 6. Legal Fees. The Supreme Court shall determine the appropriate level of fees and charges pursuant to Section 3 of Rule 141 of the Rules of Court, in accordance with the following policy objectives:
- (a) Access to justice, especially by the disadvantaged and poor sectors of society;
- (b) Internal revenue generation for the Judiciary, to support its operations; and
- (c) Capacity to pay of those who avail the services of the judicial system.
- SEC. 7. Creation of Offices and Reorganization of the Administrative Structure. The Supreme Court shall create such offices and reorganize its administrative structure, both at the national and regional levels, as may be necessary, for

purposes of oversight or operations, to carry out the purposes of this Act, and to enable additional functions and responsibilities stated in this Act, within the limit of its available resources.

The Supreme Court shall create positions and allocate the necessary budgetary support for the operations of such offices. The creation of offices at the regional level shall be guided by the principle of decentralization of administrative, financial, and personnel matters, and the objective to bring court management closer to litigants and other persons who avail the services of the judicial system.

SEC. 8. Salary and Personnel Administration. – The Supreme Court shall have the authority to determine the number and positions of court personnel necessary for the operations of the Judiciary, within the limits of the approved appropriation, guided by constitutional and legislative policies on hiring and compensation. A copy of the annual approved staffing pattern of personnel shall be furnished to the COA and the DBM.

The DBM shall act on the request by the Supreme Court for the issuance of the Notice of Organization, Staffing, and Compensation Action (NOSCA) for newly created positions within one hundred twenty (120) days from receipt thereof. In case of failure by the DBM to act upon such request, the Supreme Court may take appropriate measures to address the matter, in accordance with the authority granted to it under this Act.

The Supreme Court shall institute measures to provide sufficient, attractive, and competitive compensation for judicial and non-judicial personnel to ensure continuity and sustainability of service, and to support career development.

SEC. 9. Transfer of Physical Assets. – Within six (6) months from the effectivity of this Act, all real and personal properties not presently titled to the Supreme Court, and which have been acquired for the Judiciary shall, as far as practicable, be transferred to the Supreme Court by other national or local government units, or government-owned or controlled corporations, through an appropriate instrument. Thereafter, the Supreme Court shall exercise ownership,

management, control, and be in charge of the security, maintenance, and disposition of such properties.

SEC. 10. Implementing Rules and Regulations. — Within six (6) months from the effectivity of this Act, the Supreme Court, in consultation with the DBM and the COA, shall promulgate the rules and regulations necessary to carry out the intent of this Act.

SEC. 11. Separability Clause. – If any part or provision of this Act is declared invalid or unconstitutional, the other parts or provisions not otherwise affected shall remain valid and effective.

SEC. 12. Repealing Clause. – All laws, decrees, orders, issuances, rules, and regulations or parts thereof that are inconsistent with this Act are hereby repealed or modified accordingly.

SEC. 13. *Effectivity*. – This Act shall take effect fifteen (15) days after its publication in the *Official Gazette* or in a newspaper of general circulation.

Approved,

FERDINAND MARTIN G. ROMEALDEZ

Speaker of the House of Representatives

FRANCIS "CHIZ" G. ESCUDERO

President of the Senate

This Act, which is a consolidation of Senate Bill No. 2982 and House Bill No. 11358, was passed by the Senate of the Philippines and the House of Representatives on June 11, 2025.

REGINALD S. VELASCO Secretary General House of Representatives

RENATO N. BANTUG JR. Secretary of the Sonate

Approved: AUG 1 4 2025

FERDINAND ROMUALDEZ MARCOS JR.

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President of the Philippines



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