

THIRTEENTH CONGRESS OF THE)
Republic of the Philippines)
First Regular Session)

'04 JUN 30 P1:30

SENATE
S.B. No. **136**

RECEIVED BY: 

Introduced by Senator **Luisa "Loi" P. Ejercito Estrada**

EXPLANATORY NOTE


The barangay has been historically viewed as a mere political unit tasked to organize the political life of a community.

The barangay must now assume a more activist role in generating employment and income for its members, notably the unemployed.

This bill seeks to empower the barangay by conferring upon it the right to participate with the right of first refusal in all programs and projects, notably those concerning the delivery of basic services affecting its jurisdiction and members.

By giving the barangay such right, it would be able to generate employment for its members.

Immediate passage of this bill is earnestly sought.


LUISA "LOI" P. EJERCITO ESTRADA
Senator

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AN ACT
AUTHORIZING BARANGAYS TO ENTER INTO OFFICIAL CONTRACTS WITH
NATIONAL GOVERNMENT AGENCIES AND LOCAL GOVERNMENT UNITS TO
UNDERTAKE THE DELIVERY OF BASIC SERVICES FOR THE PURPOSE OF
PROVIDING EMPLOYMENT TO BARANGAY RESIDENTS AND FOR OTHER
PURPOSES

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

Section. 1. **Title.** - This Act shall be known and cited as "The Barangay
Economic Empowerment Act of 2004."

Sec. 2. **Declaration of Policy.** - It is the policy of the State to transform the
barangay into a self-reliant economic unit generating employment for its members and
actively participating in publicly funded programs intended for the barangay.

Sec. 3. **Coverage.** - All basic services being contracted out by the national
government and local government units with private or public contractors and which
affect the barangays are covered by this Act: Provided, however, That the amount of the
basic services to be contracted out by the barangay shall not be more than Five Hundred
Thousand Pesos (P500,000.00).

Sec. 4. **Right of First Refusal.** - The provisions of the Local Government Code to
the contrary notwithstanding, local government units and national government agencies
shall give priority to the affected barangay in contracting out the delivery of basic
services intended for or affecting said barangay. Such barangay shall have the right of
first refusal before the project is bid out.

Sec. 5. **Basic Services.** - For purposes of this Act, basic services programs in
which the affected barangay shall have priority right to undertake, shall include:

- (a) Implementation of community-based forestry programs and similar projects; management and control of communal forest with an area not exceeding fifty (50) square kilometers; establishment and maintenance of tree parks, green belts, and similar forest development project;
- (b) Maintenance of community-based rehabilitation programs for vagrants, beggars, street children, scavengers, delinquents, and victims of violence and drug abuse; livelihood projects;
- (c) Solid waste disposal system or services related to general hygiene and sanitation;
- (d) Maintenance of public buildings, public parks, playgrounds and government sports facilities;
- (e) Maintenance of roads, drainage systems, communal irrigation, small water impounding and other similar projects; seawalls, dikes, flood control; and street signage;
- (f) Maintenance of public markets and slaughterhouses;
- (g) Maintenance of public cemetery; and
- (h) Maintenance of tourism facilities and securing such facilities.

Sec. 6. Preference of Barangay Labor and Materials. - In the event that the barangay concerned is unable for any reason to participate in any project within its jurisdiction and/or affecting its residents, the local government unit or national government agency concerned shall exert every effort to source its labor and materials.

Sec. 7. Mode of Payment. - A certification duly executed and signed by the chairman of the affected barangay and concurred in by the authorized signatory for the local government unit or national agency concerned shall form the basis of all claims for payment by the barangay.

Sec. 8. Unlawful Act. - Any public official who bids and/or contracts out the delivery of basic services, as provided in Section 5 hereof, intended for or affecting a barangay without giving the affected barangay the opportunity to exercise its right of first refusal shall, upon conviction, be punished with imprisonment for not less than one (1) year and one (1) day to six (6) years and shall be immediately dismissed from the service.

In addition, the public officer shall be liable to reimburse to the affected barangay an amount equal to what would have been realized by the barangay were it accorded its right under this Act.

Sec. 9. **Implementing Rules and Regulations.** - The Department of Interior and Local Government shall, within ninety (90) days from the effectivity of this Act, promulgate the appropriate rules and regulations for its effective implementation.

Sec. 10. **Repealing Clause.** - All laws, executive orders, administrative rules and regulations inconsistent with the provisions of this Act are hereby repealed or modified accordingly.

Sec. 11. **Effectivity Clause.** - This Act shall take effect fifteen (15) days after the completion of its publication in at least two (2) newspapers of general publication.

Approved,