

SIXTEENTH CONGRESS OF THE)
REPUBLIC OF THE PHILIPPINES)
First Regular Session)



Senate
Office of the Secretary

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SENATE
S. B. NO. 108

RECEIVED BY: *ji*

Introduced by SENATOR FERDINAND R. MARCOS, JR.

EXPLANATORY NOTE

Republic Act 7160, otherwise known as the Local Government Code of 1991, was enacted 22 years ago. Since then, many of its provisions have not been keeping pace with the many changes and challenges of local governance and autonomy. It becomes imperative therefore, to review the present Code that needs to adjust to the current times.

When the Local Government Code of 1991 was amended through Republic Act 9009 which was enacted on February 24, 2001, the income requirement for a municipality or cluster of barangays to be converted into a component city was increased from Twenty Million Pesos (P20,000,000.00) to One Hundred Million (P100,000,000.00) Pesos for the last two consecutive years based on 2000 constant prices.

This adjustment however, failed to make the necessary and corresponding increase in the income requirement for provinces, which at present, is still pegged at Twenty Million (P20,000,000.00) Pesos, as provided for under Section 461 of the Local Government Code of 1991.

This bill seeks to fill that gap by proposing to increase the locally generated average annual income requirement for the creation of a province to Two Hundred Million (P200,000,000.00) Pesos.

With this proposed law, there is already a remedial legislative measure that correspondingly adjusts the income requirement in creating a province.


Early approval of this bill is hereby earnestly requested.

Ferdinand R. Marcos, Jr.
FERDINAND R. MARCOS, JR.



'13 JUL -1 P1:24

SENATE
S. B. NO. 13

RECEIVED BY: 

Introduced by SENATOR FERDINAND R. MARCOS, JR.

AN ACT AMENDING SECTION 461 OF REPUBLIC ACT 7160 OTHERWISE KNOWN AS THE LOCAL GOVERNMENT CODE OF 1991, BY INCREASING THE LOCALLY GENERATED AVERAGE ANNUAL INCOME REQUIREMENT FOR THE CREATION OF A PROVINCE

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

Section 1. Section 461 of Republic Act No. 7160 is hereby amended to read as follows:

Section 461. Requisites for Creation.

- (a) A province may be created if it has **LOCALLY GENERATED** average annual income, as certified by the Department of Finance, of not less than [Twenty] **TWO HUNDRED** million pesos (P200,000,000.00) **FOR THE LAST TWO (2) CONSECUTIVE YEARS** based on [1991] **2010** constant prices, and either of the following requisites:
- (i) a contiguous territory of at least two thousand (2,000) square kilometers, as certified by the Lands Management Bureau; or
 - (ii) a population of not less than two hundred fifty thousand (250,000) inhabitants as certified by the National Statistics Office: Provided, That, the creation thereof shall not reduce the land area, population, and income of the original unit or units at the time of said creation to less than the minimum requirements prescribed herein.
- (b) The territory need not be contiguous if it comprise two (2) or more islands or is separated by a chartered city or cities which do not contribute to the income of the province.
- (c) The average annual income shall include the income accruing to the general fund, exclusive of special funds, **THE INTERNAL REVENUE ALLOTMENT SHARE**, trust funds, transfers and non-recurring income.

Section 2. Repealing Clause. All laws, decrees, orders, rules and regulations, and other issuances or parts thereof, which are inconsistent with this Act, are hereby repealed or modified accordingly.

Section 3. This Act shall take effect thirty (30) days after its publication in two (2) national newspapers of general circulation.

Approved.