

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



Senate
Office of the Secretary

15 MAR 16 A9:43

SENATE

RECEIVED BY: ji

COMMITTEE REPORT NO. 114

Submitted by the Committee on Local Government on MAR 16 2015

Re: Senate Bill No. 1185

Recommending its approval with amendments, taking into consideration Senate Bill Nos. 1390, 1491 and House Bill No. 3593.

Sponsors: Senators Marcos, Jr.; Trillanes IV; Honasan II; and Ejercito

MR. PRESIDENT:

The Committee on Local Government to which was referred Senate Bill No. 1185, introduced by Senator Antonio "Sonny" Trillanes IV, entitled:

AN ACT

AMENDING SECTION 450 OF REPUBLIC ACT NO. 7160, OTHERWISE KNOWN AS THE LOCAL GOVERNMENT CODE OF 1991, AS AMENDED, ALLOWING THE CONVERSION OF A MUNICIPALITY WHICH HAS A LAND AREA OF AT LEAST FIFTY (50) SQUARE KILOMETERS OR INHABITANTS OF AT LEAST TWENTY FIVE THOUSAND (25,000) INTO A COMPONENT CITY IF IT HAS AN ANNUAL AVERAGE LOCALLY GENERATED INCOME OF AT LEAST TWO HUNDRED TWENTY MILLION PESOS (P220,000,000.00) FOR THE LAST TWO CONSECUTIVE YEARS BASED ON 2012 CONSTANT PRICES"

taking into consideration Senate Bill No. 1390, introduced by Senator Gregorio B. Honasan II, entitled:

"AN ACT

AMENDING SECTION 450 OF REPUBLIC ACT NO. 7160, OTHERWISE KNOWN AS THE LOCAL GOVERNMENT CODE OF 1991, AS AMENDED, BY ALLOWING THE CONVERSION OF A MUNICIPALITY WHICH HAS A LAND AREA OF AT LEAST FIFTY (50) SQUARE KILOMETERS OR INHABITANTS OF AT LEAST

TWENTY FIVE THOUSAND (25,000) INTO A COMPONENT CITY IF IT HAS A LOCALLY GENERATED AVERAGE ANNUAL INCOME OF AT LEAST TWO HUNDRED TWENTY MILLION PESOS (P220,000,000.00) FOR THE LAST TWO CONSECUTIVE YEARS BASED ON THE YEAR 2010 CONSTANT PRICES"

Senate Bill No. 1491, introduced by Senator Joseph Victor G. Ejercito, entitled:

"AN ACT

EXEMPTING FROM THE POPULATION AND THE LAND AREA REQUIREMENTS THE CONVERSION OF A MUNICIPALITY INTO A COMPONENT CITY IF IT HAS A LOCALLY GENERATED AVERAGE ANNUAL INCOME OF AT LEAST FIVE HUNDRED MILLION PESOS (500,000,000.00), AMENDING FOR THE PURPOSE SECTION 450 OF REPUBLIC ACT NO. 7160, AS AMENDED, OTHERWISE KNOWN AS THE LOCAL GOVERNMENT CODE OF 1991"

and House Bill No. 3593, introduced by Representative Roy M. Loyola , entitled:

"AN ACT

EXEMPTING FROM THE REQUIREMENT ON POPULATION AND ON LAND AREA THE CONVERSION OF A MUNICIPALITY INTO A COMPONENT CITY IF IT HAS A LOCALLY GENERATED AVERAGE ANNUAL INCOME OF AT LEAST TWO HUNDRED TWENTY MILLION PESOS (P220,000,000.00), AMENDING FOR THE PURPOSE SECTION 450 OF REPUBLIC ACT NO. 7160, AS AMENDED, OTHERWISE KNOWN AS THE LOCAL GOVERNMENT CODE OF 1991"

has considered the same and has the honor to report it back to the Senate with the recommendation that it be approved with the following amendments:

1. On page 1, line 7, after the word "on" delete the year "2000" and in lieu thereof insert the year "2012";
2. On the same page, line 13, at the beginning of the paragraph, insert the phrase "PROVIDED, THAT" ;
3. On the same page, line 14, after the word "herein", insert the following:

"PROVIDED, FURTHER, THAT THE POPULATION AND LAND AREA REQUIREMENTS PRESCRIBED HEREIN SHALL NOT APPLY IF A MUNICIPALITY OR A CLUSTER OF BARANGAYS HAS A LOCALLY GENERATED INCOME, AS CERTIFIED BY THE DEPARTMENT OF FINANCE OF AT LEAST TWO HUNDRED FIFTY MILLION PESOS (P250,000,000.00) FOR THE LAST TWO CONSECUTIVE YEARS

BASED ON 2012 CONSTANT PRICES AND HAS EITHER THE POPULATION OR LAND AREA REQUIREMENT PRESCRIBED FOR THE CREATION OF A MUNICIPALITY UNDER SECTION 442 OF THIS CODE. PROVIDED, FURTHERMORE, THAT, THREE (3) YEARS AFTER THE EFFECTIVITY OF THIS ACT AND EVERY THREE (3) YEARS THEREAFTER, THE THRESHOLD AMOUNT OF TWO HUNDRED FIFTY MILLION PESOS (250,000,000.00) SHALL BE INCREASED BY FIVE PERCENT (5%)."

4. On page 2, delete lines 1 to 8;
5. On the same page, line 22, after the word "take" insert the word **"EFFECT"**;
6. On the title of the bill, after the phrase "as amended" insert the phrase **"BY REPUBLIC ACT NO. 9009"**
7. On the title of the bill, delete the phrase and figure "two hundred twenty million pesos (P220,000,000.00) and in lieu thereof, insert the phrase and figure **"TWO HUNDRED FIFTY MILLION PESOS (P250,000,000.00)"**

Respectfully submitted:



FERDINAND R. MARCOS, JR.
Chairperson



ANTONIO "SONNY" F. TRILLANES IV
Vice-Chairperson

Members:



PIA S. CAYETANO



PAOLO BENIGNO "BAM" AQUINO IV



MANUEL "LITO" M. LAPID



LOREN LEGARDA



AQUILINO "KOKO" PIMENTEL III



CYNTHIA A. VILLAR



GRACE POE



SONNY ANGARA

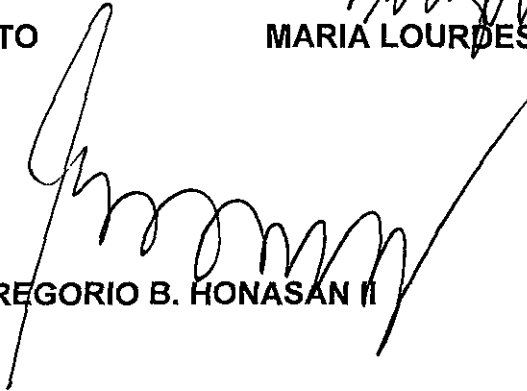
may amend,



JOSEPH VICTOR G. EJERCITO



MARIA LOURDES NANCY S. BINAY




GREGORIO B. HONASAN II

Ex-Officio Members:

may amend


RALPH G. RECTO
President Pro-Tempore

ALAN PETER "COMPAÑERO" S. CAYETANO
Majority Leader

to interpellate!


VICENTE C. SOTTO III
Acting Minority Leader

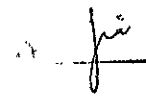
JUAN PONCE ENRILE
Minority Leader

Hon. FRANKLIN M. DRILON
President
Senate of the Philippines
Pasay City

13 JUL 20 1999

SENATE

S. No. 1185

REV. 

Introduced by Senator Antonio "SONNY" F. Trillanes IV

EXPLANATORY NOTE

Section 450 of the Local Government Code provides for the conversion of a municipality or barangay into a component city. Section 450 of the Local Government Code as amended by Republic Act No. 9009 provides:

"Section 450. Requisites for Creation:

- (a) A municipality or a cluster of barangays may be converted into a component city if it has a locally generated average annual income, as certified by the Department of Finance, of at least One Hundred Million Pesos (P100,000,000) for the last two (2) consecutive years based on 2000 constant prices, and if it has either of the following requisites:
 - (i) a contiguous territory of at least one hundred (100) square kilometers, as certified by the Land Management Bureau, or;
 - (ii) a population of not less than one hundred fifty thousand (150,000) inhabitants, as certified by the National Statistics Office.

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."

It can be noted however that there are some municipalities who are capable of providing much needed social services to their constituents. These municipalities even exceed other existing cities in the efficient delivery of services to their inhabitants. However, these municipalities are not eligible to be converted to a city due to their failure to comply with either the required number of population or land area. It is therefore unfair for the inhabitants of these municipalities that they are deprived of their rights to the benefits of cityhood and the opportunity to an increased social, economic, and political development.

This bill therefore seeks to amend Sec. 450 of Republic Act No. 7160, otherwise known as the Local Government Code of 1991, as amended by Republic Act No. 9009, to qualify a municipality which has a land area of at least fifty (50) square kilometers or inhabitants of at least twenty-five thousand (25,000) but generates a local income of at least two hundred twenty million pesos (P220,000,000.00) to be converted into a component city.

In view of the foregoing, the immediate approval of this bill is earnestly sought.


ANTONIO "SONNY" F. TRILLANES IV
Senator

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

OFFICE OF THE SECRETARY

13 JUL 30 07 49

SENATE

S. No. 1185

Introduced by Senator Antonio "SONNY" F. Trillanes IV

AN ACT

AMENDING SECTION 450 OF REPUBLIC ACT NO. 7160, OTHERWISE KNOWN AS THE LOCAL GOVERNMENT CODE OF 1991, AS AMENDED, ALLOWING THE CONVERSION OF A MUNICIPALITY WHICH HAS A LAND AREA OF AT LEAST FIFTY (50) SQUARE KILOMETERS OR INHABITANTS OF AT LEAST TWENTY FIVE THOUSAND (25,000) INTO A COMPONENT CITY IF IT HAS AN ANNUAL AVERAGE LOCALLY GENERATED INCOME OF AT LEAST TWO HUNDRED TWENTY MILLION PESOS (P220,000,000.00) FOR THE LAST TWO CONSECUTIVE YEARS BASED ON 2012 CONSTANT PRICES

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

1 SECTION 1. Sec. 450 of Republic Act No. 7160, otherwise known as the Local
2 Government Code of 1991, as amended by Republic Act No. 9009, is hereby further amended to
3 read as follows:

4 "Sec. 450. Requisites for Creation. - (a) A municipality or a cluster of barangays may be
5 converted into a component city if it has a locally generated average annual income, as certified
6 by the Department of Finance, of at least One Hundred Million Pesos (100,000,000.00) for the
7 last two (2) consecutive years based on 2000 constant prices, and if it has either of the following
8 requisites:

9 (i) A contiguous territory of at least one hundred (100) square kilometers, as certified by
10 the Land Management Bureau; or

11 (ii) A population of not less than one hundred fifty thousand (150,000) inhabitants, as
12 certified by the National Statistics Office.

13 The creation thereof shall not reduce the land area, population and income of the original
14 unit or units at the time of said creation to less than the minimum requirement prescribed herein.

1 **PROVIDED THAT, NOTWITHSTANDING THE FOREGOING, A**
2 **MUNICIPALITY WHICH HAS AN AREA OF AT LEAST FIFTY (50) SQUARE**
3 **KILOMETERS OR INHABITANTS OF AT LEAST TWENTY FIVE THOUSAND**
4 **(25,000) MAY BE CONVERTED INTO A COMPONENT CITY IF IT HAS A LOCALLY**
5 **GENERATED INCOME, AS CERTIFIED TO BY THE DEPARTMENT OF FINANCE,**
6 **OF AT LEAST TWO HUNDRED TWENTY MILLION PESOS (P220,000,000.00) FOR**
7 **THE LAST TWO CONSECUTIVE YEARS BASED ON THE 2012 CONSTANT**
8 **PRICES.”**

9 (b) The territorial jurisdiction of a newly-created city shall be properly identified by
10 metes and bounds. The requirement on land area shall not apply where the city proposed to be
11 created is composed of one (1) or more islands. The territory need not be contiguous if it
12 comprises two (2) or more islands.

13 (c) The average annual income shall include the income accruing to the general fund,
14 exclusive of special funds, transfers, and non-recurring income.

15
16 **SEC. 2.** If any provision of this Act shall be declared invalid or unconstitutional, the
17 remaining part or provisions not otherwise affected shall remain in force.

18
19 **SEC. 3.** Any law, decree, ordinance, administrative circulars not consistent with any
20 provision of this Act is hereby amended, repealed or modified accordingly.

21
22 **SEC. 4.** This Act shall take fifteen (15) days after its complete publication in the Official
23 Gazette or in at least two (2) newspapers of general circulation.

Approved,