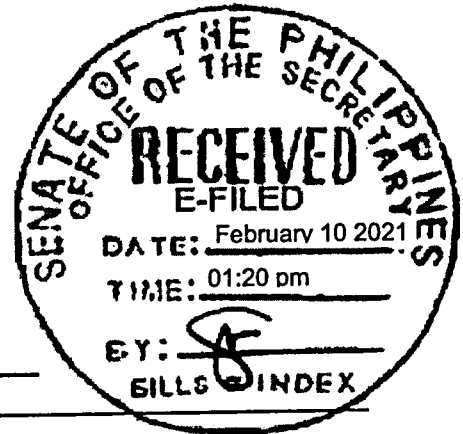


EIGHTEENTH CONGRESS OF THE)
REPUBLIC OF THE PHILIPPINES)
Second Regular Session)



SENATE S.B. No. 2047

Introduced by **Senator Richard J. Gordon**

AN ACT
TO REHABILITATE LAGUNA DE BAY AND TO STRENGTHEN THE
LAGUNA LAKE DEVELOPMENT AUTHORITY (LLDA), REPEALING
FOR THIS PURPOSE REPUBLIC ACT NO. 4850, AS AMENDED,
OTHERWISE KNOWN AS THE LAGUNA LAKE DEVELOPMENT
AUTHORITY ACT OF 1966, PROVIDING FUNDS THEREFOR AND
FOR OTHER PURPOSES.

EXPLANATORY NOTE

In view of the recent and recurrent water supply problem in Metro Manila, there is a critical and urgent need to improve the water quality of Laguna de Bay in order for it to be used as a major source of domestic water supply for Metropolitan Manila and the nearby provinces.

Laguna Lake or Laguna de Bay is the largest inland body of water in the Philippines and the third largest lake in Southeast Asia with a lake surface area of 90,000 hectares and coastline length of 220 kilometers. Its surface area is large than the land area of Singapore. The lake flows and discharges water into Manila Bay through the Pasig River. The lake is an important source for fishing, for irrigation and for domestic water needs; it is also a temporary reservoir. Its watershed spans 14 cities and 17 municipalities located within the whole province of Laguna and parts of Batangas, Cavite, Quezon and Metro Manila. It is located in the major growth corridor of the country. The water resources of the lake and its tributary rivers are used for irrigation, power generation, recreation, domestic water supply, and navigation, among others.

To promote the development of the Laguna de Bay area, the Laguna Lake Development Authority was created under Republic Act No. 4850, with the aim of

promoting the social and economic growth of the surrounding provinces, cities and towns. While the LLDA exercises policy and planning, regulatory, coordinative and developmental functions, it does not have control over all projects affecting the Laguna de Bay region. Overlapping and even conflicting mandates and programs of the many agencies, local governments and other entities the LLDA coordinates with have been identified as the stumbling block in managing the lake's resource and intensified conflicts that arise from its multiple uses.

Current problems faced by the LLDA include the management of solid waste in the lake, sanitation and public health, congestion of shoreland areas, rapid siltation and sedimentation, unmitigated input of domestic agricultural and industrial wastes, flooding and loss of biodiversity, and decline in water quality. In a recent study of conducted by the University of the Philippines, the lake water, according to a new study, is contaminated with heavy metals, industrial chemicals, antibiotics, steroid hormones, protozoa, and fecal bacteria from both humans and animals including hogs and ducks. Consequently, although it is the biggest fresh water lake in the country, the Laguna de Bay cannot be a major source of safe water. Currently, Laguna Lake is being used as a water supplemental source after it has undergone a treatment facility.

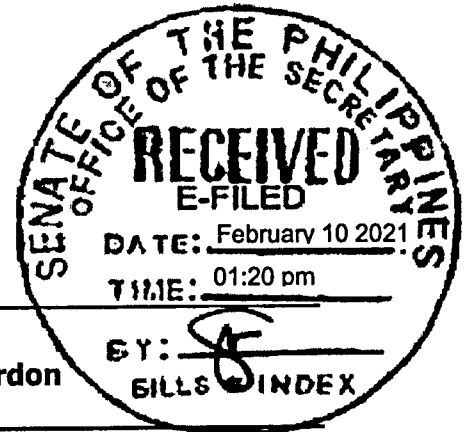
This bill seeks to expedite the restoration and rehabilitation of Laguna Lake and improve its water quality so it can be used as a major domestic water source for Metro Manila and nearby provinces. The proposed measure also aims to strengthen the policy-making and regulatory powers of the LLDA, in order that it can realize the vision of a self-sufficient and highly dynamic integrated water management authority, with competent and professional personnel who take the lead towards the sustainable development of the Laguna de Bay. In view of the foregoing, the passage of this bill is earnestly sought.



RICHARD J. GORDON
Senator

EIGHTEENTH CONGRESS OF THE)
REPUBLIC OF THE PHILIPPINES)
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Be it enacted by the Senate and the House of Representatives of the Philippines in Congress assembled:

1 **SECTION 1. Short title.** – This Act shall be known as the “Laguna Lake
2 Development Act of 2021”.

3 **SEC. 2. Declaration of Policy.** – It is hereby declared the policy of the State to
4 promote and develop Laguna Lake in a sustainable manner along the surrounding
5 areas that comprise its region, hereinafter referred to as the Bay Region, with Laguna
6 Lake as its focal point whose water resources must be systematically managed and
7 protected for various uses.

8 For this purpose, the State hereby adopts an integrated water resources
9 management (IWRM) approach, using the lake’s watersheds as planning units to
10 interconnect and integrate its various ecosystems pursuant to Art. II, Sec. 16 of the
11 1987 Constitution: “The State shall protect and advance the right of the people to a
12 balanced and healthful ecology in accord with the rhythm and harmony of nature.”

13 In accordance with the IWRM approach, any development program in the region
14 shall always consider sustainable environmental management and the prevention of
15 any ecological harm, resource, deterioration and pollution to allow the lake to realize
16 its full potentials including, among other uses, as a major resource in fish production
17 of national importance. Under Article XIII, Section 7 of the 1987 Constitution, the

1 State is mandated to protect, develop, and conserve communal marine and fishing
2 resources, both inland and offshore.

3 **SEC.3. Definition of Terms.** – As used in this Act:

4 1) *Laguna Lake or Laguna de Bay.* – shall refer to that area covered by the
5 lake water when it is at the average annual maximum lake level of elevation 12.50
6 meters, as referred to a datum 10.00 meters below mean lower low water (M.L.L.W.)
7 of Manila de Bay. Lands located at and below such elevation are public lands, which
8 form part of the bed of said lake.

9 2) *Integrated Water Resources Management (IWRM)* – is a process that
10 promotes the coordinated development and management of water, land and related
11 resources in order to maximize the restraint economic and social welfare in an
12 equitable manner without compromising the sustainability of vital ecosystems.

13 3) *Watershed* - is the term used to describe the geographic area of land
14 that drains water to a shared destination or to an area of land that drains down slope
15 to the lowest point. The water moves through a network of drainage pathways, both
16 underground and on the surface. Other terms used interchangeably with watershed
17 include *drainage basin* or *catchment basin*.

18 4) *Environment* - means the physical factors of the total surroundings of
19 human beings, including but not limited to the lakes and other bodies of water, land,
20 air, atmosphere, climate, sound, odor, plants, insects, animals, its biological and
21 physical factors, all its life support systems and all other surrounding matters that
22 affect directly or indirectly the existence of human life and other life forms in a specific
23 area.

24 5) *Shoreland / Lakeshore areas / Buffer Zone* - that part of the lake along
25 the lakeshore lying at elevation 12.50 meters and below and alternately submerged
26 or exposed by the annual or seasonal rising and lowering of the lake levels. This is a
27 linear strip of land of approximately 14,000 hectares designed to separate the
28 incompatible elements or uses, or to control pollution/nuisance and for identifying and
29 defining development areas or zones.

30 6) *Ground water* - means sub-surface water that occurs beneath the water
31 table in soils and rocks, or in geological formations.

32 7) *Aquaculture* - fishery operations involving all forms of raising and
33 culturing fish and other fishery species in fresh, brackish and marine water areas.

34 8) *Aqua structure* - refers to a structure enclosing a particular area in the
35 lake which makes use of poles usually made of bamboo or anahaw and surrounded

1 by nets, fastened by a weight of sinkers embedded in the lake bed; may also refer to
2 a fish cage which is an inverted mosquito net fastened to poles usually made of
3 bamboo or such other structures used for fish or aquatic resource culture.

4 9) *Effluent* - means discharge from known sources which is passed into a
5 body of water or land, or wastewater flowing out of a manufacturing plant or an
6 industrial plant, including domestic, commercial and recreational facilities.

7 10) *Pollution* - shall mean any alteration of the physical, chemical and
8 biological properties of any water, air and land resources of the Philippines or any
9 discharge thereto of any liquid, gaseous or solid wastes as will be likely to *create* or
10 to render such resources harmful, detrimental or injurious to public health, safety or
11 welfare or which will adversely affect their utilization for domestic, commercial,
12 industrial, agriculture, recreational or other legitimate purposes.

13 11) Clean-up operations — means activities involving the removal of
14 pollutants discharged or spilled into a water body and its surrounding areas, and the
15 restoration of the affected areas to their former physical, chemical and biological state
16 or conditions.

17

18 **SEC. 4. Laguna Lake Region.** -- For purposes of this Act, the Laguna Lake
19 Region shall comprise the provinces of Laguna and Rizal; the cities of Pasay, Caloocan,
20 Quezon, Manila, Makati, Mandaluyong, San Juan, Pasig, Marikina, Muntinlupa,
21 Tagaytay, Tanauan, Taguig and Lipa; the towns of Silang, Carmona, Dasmariñas and
22 General Mariano Alvarez in Cavite Province; the towns of Mauban, Real, Lucban and
23 Sampaloc in Quezon Province; the towns of Sto. Tomas and Malvar in Batangas; and
24 the town of Pateros in Metro Manila and all areas that drain into the Laguna Lake:
25 *Provided*, That cities or towns that may be subsequently created in the future out of
26 the aforementioned municipalities and cities surrounding Laguna Lake shall
27 automatically form part of the Laguna Lake Region.

28 **SEC. 5. Laguna Lake Development Authority.** – Pursuant to the original
29 mandate of Republic Act No. 4850, as amended, the Laguna Lake Development
30 Authority, hereinafter referred to as the LLDA, shall pursue the ecologically sustainable
31 development of the Bay Region. It shall maintain its principal office at a convenient
32 place within the region, and such branch offices in other places within the Bay Region
33 as are necessary for the proper conduct of its business.

34 **SEC. 6. Powers and Functions.** – The LLDA shall have the following powers
35 and functions:

36 a) Periodically conduct, monitor and update a comprehensive survey of the

1 Laguna Bay Region, including its socio-economic conditions, water
2 quantity and quality in the lake proper and all its major tributary rivers,
3 irrigation, water supply, transport route, reservoir of floodwater,
4 hydroelectric and other power potentials, scenic and tourist spots, state
5 of its watersheds, the tributary rivers and other physical and natural
6 resource potentials on the basis of which it shall prepare a sustainable
7 regional development master plan.

8 All concerned public and private agencies shall provide the LLDA the
9 necessary data for the purposes of the said survey;

10 b) Develop a long-term program to attract more private-sector-driven
11 investments into the Bay Region in consonance with a regional master
12 plan, which shall be formulated in consultation with stakeholders,
13 concerned government agencies, local government units (LGUs), and civil
14 society in the Bay Region;

15 c) Review all plans, projects and programs that relate to the development of
16 the Bay Region, proposed and submitted by LGUs, public corporations and
17 private persons or corporations to ensure that they conform to the
18 environmental standards prescribed by the LLDA and other similar laws.

19 The LLDA shall collect reasonable fees as may be determined by the
20 Board for the processing of such plans, programs or projects. Any future
21 expansion of such plans, programs, or projects shall be again subject to
22 LLDA review and to payment of additional fees as may be further
23 determined by the LLDA Board.

24 d) Engage, whether by itself or in cooperation with private persons or
25 entities, in agriculture, commerce, industry, or to organize, finance, invest
26 in, and operate subsidiary corporations which are in the nature of new
27 ventures or are clearly beyond the scope, capacity, or interest of private
28 enterprises by reason of geography, technical or capital requirements,
29 returns on investment and risk and when public interest so requires;

30 e) Implement infrastructure projects such as flood control, solid waste
31 management, wastewater and sewerage, water supply, roads, ports,
32 irrigation, housing, leisure parks and related works, within the context of
33 its development master plan, including the readjustment, relocation, or
34 resettlement of human population within the Bay Region that may be
35 deemed necessary and beneficial in pursuit of the LLDA mandate. Should
36 any of these projects be financed wholly or in part by the LLDA, it shall
37 have authority to collect reasonable fees and tolls from users or

- 1 beneficiaries to recover costs of construction, operation and maintenance
2 of the projects. For infrastructure projects that are in the nature of social
3 overhead capital projects, it shall be entitled to receive the corresponding
4 financial assistance from the government;
- 5 f) Undertake a massive information campaign among the stakeholders, in
6 close coordination with the LGUs and other government agencies within
7 the Laguna de Bay Region to promote better understanding of the
8 importance of environmental protection and conservation of the Laguna
9 Lake and its watersheds;
- 10 g) Implement dredging and/ or reclamation projects in close coordination
11 with the Philippine Reclamation Authority (PRA)/Public Estates Authority
12 (PEA) and LGUs concerned with the end-in-view of facilitating the
13 approval thereof by the PRA/PEA pursuant to existing laws, executive
14 orders and other issuances which may be necessary to accomplish the
15 aims and purposes of the LLDA; Provided, That the land so reclaimed shall
16 become the property of the national government through the LLDA;
- 17 h) Determine new areas of fishery development, taking into account the
18 overall development plans and programs for Laguna Lake and related
19 bodies of water and promulgate rules and regulations governing fisheries
20 development in the Bay Region. Accordingly, it shall engage in
21 experimental pilot fish production such as the propagation of ornamental
22 fish and similar aquaculture projects in Laguna Lake and other bodies of
23 water within its jurisdiction, in collaboration with the Bureau of Fisheries
24 and Aquatic Resources (BFAR). It shall improve present fishery techniques
25 and practices to provide equitable access to its fishery resources for the
26 socio-economic amelioration of small fisher folk, improvement of their
27 communal fishing grounds, sustainable aquaculture development and
28 operation. In hiring laborers for fishery-related projects, there shall be
29 preference for qualified shore land residents;
- 30 i) Regulate the use and occupancy of shoreland areas by enjoining LGUs
31 within the Bay Region to establish watershed management councils or
32 wetlands whenever suitable and consistent with LLDA policies;
- 33 j) Develop surface and groundwater supply sources for municipal,
34 agricultural, commercial, and industrial use, in close coordination with the
35 National Water Resources Board (NWRB), or Local Water Utilities
36 Administration (LWUA), as the case may be, pursuant to existing laws,
37 executive orders and other issuances which may be necessary to
38 accomplish the aims and purposes of the LLDA;

- 1 k) Enter into agreements with LGUs, governmental agencies and
2 corporations and the private sector for the supply, treatment, distribution
3 and marketing of such water;
- 4 l) Establish and enforce anti-pollution standards on municipal, agricultural,
5 commercial and industrial wastewater and effluents being discharged into
6 the lake in coordination with appropriate government agencies;
- 7 m) Conduct a continuing research, development and extension program in
8 close coordination with the academe, Department of Environment and
9 Natural Resources (DENR), and the Department of Science and
10 Technology (DOST) on lake water quantity and quality, integrated
11 watershed management and enterprise, development and management
12 with the end view of promoting sustainable development in the region;
- 13 n) Adopt rules and regulations governing the approval of sewage works and
14 industrial waste disposal system and the issuance of clearance and/or
15 permits in accordance with the provisions of this Act when necessary and
16 inspect the construction and maintenance of sewage works and industrial
17 waste disposal systems for compliance to clearance and/ or permit
18 conditions;
- 19 o) Require all projects or activities in or affecting the Laguna de Bay Region
20 to secure Environmental Compliance Certificates (ECCs) required under
21 Presidential Decree No. 1586 and grant clearance and/or permits for any
22 projects or activities located within or affecting the Bay Region including,
23 but not limited to, industrial and commercial activities, navigation,
24 irrigation, power generation, housing, resettlement and other forms of
25 land developments, construction and operation of aquaculture
26 development, dredging/reclamation and similar or related activities and
27 to impose safeguards for lake water quantity and quality control and
28 management and to collect necessary fees and said activities and
29 projects.;
- 30 p) Issue, renew, or deny permits subject to reasonable guidelines for the
31 discharge of sewage, industrial waste, or for the installation or operation
32 of sewage works and industrial disposal system or parts thereof for the
33 prevention and abatement of pollution and require subdivisions,
34 condominiums, clinical and medical establishments, mortuaries, public
35 buildings, other similar human settlements, to construct appropriate
36 central sewerage system and sewage treatment works. The LLDA may
37 impose reasonable fees and other similar charges for the issuance or
38 renewal of all permits herein required;

- 1 q) Issue orders or decisions to compel compliance with the provisions of this
2 Act and its implementing rules and regulations after proper notice and
3 hearing;
- 4 r) Make, issue, alter, or modify orders or decisions, after notice and hearing,
5 requiring the discontinuance of pollution specifying the conditions and the
6 time within which such discontinuance must be accomplished;
- 7 s) After due notice and hearing, revoke, suspend or modify any clearance
8 and/or permit issued under this Act whenever the same is necessary to
9 prevent or abate pollution;
- 10 t) Deputize or request assistance of appropriate government agencies or
11 instrumentalities for the purpose of enforcing this Act and its
12 implementing rules and regulations and the orders and decisions of the
13 LLDA;
- 14 u) Authorize its bona fide representatives at all reasonable times to enter
15 any public and private property devoted to agriculture, commercial and
16 industrial use for the purpose of inspecting and investigating conditions
17 relating to pollution and existing and/or imminent environmental danger;
- 18 v) Exercise such powers and perform such other functions as may be
19 necessary to carry out its duties and responsibilities under this Act.

20 **SEC. 7. Corporate Powers.** – The authority shall have the following corporate
21 powers:

- 22 a) Succeed in its corporate name;
- 23 b) Sue and be sued in its corporate name;
- 24 c) Adopt, alter and use a corporate seal;
- 25 d) Adopt, amend, or repeal its by-laws;
- 26 e) Enter into contracts to enable it to carry out its purposes and functions
27 under this Act;
- 28 f) Acquire, buy, purchase, hold or lease, such personal and real property as
29 it may deem necessary in the transaction of its business or in relation to
30 carrying out its purposes under this Act and to lease, mortgage, sell,
31 alienate, or otherwise encumber, utilize, exploit or dispose any such
32 personal and real property held by it, subject to individual or communal
33 right of private parties or of the government or any agency or enterprise

- 1 thereof;
- 2 g) Exercise the right of eminent domain whenever the LLDA deems it
3 necessary achieve the objectives of this Act;
- 4 h) Borrow funds from any local or foreign sources independent of the bonds
5 it may issue or may continue to issue to carry out the purposes of this
6 Act;
- 7 i) Purchase, hold, alienate, mortgage, pledge or otherwise dispose of the
8 shares of the capital stock of, or any bond, securities, or other evidence
9 of indebtedness created by any other corporation, co-partnership, or
10 government agencies or instrumentalities; and while the owner of said
11 stock to exercise all the rights of ownership, including the right to vote
12 thereon: *Provided*, That the LLDA shall not invest its funds in any high risk
13 debt instruments issued without recourse to commercial banks or
14 investment houses as well as in any highly speculative stocks;
- 15 j) Perform any and all acts which a corporation, co-partnership or juridical
16 person is authorized to perform under the existing laws or which may be
17 enacted hereafter;
- 18 k) Provide economic incentives to encourage the private sector to fully
19 subscribe to its shares of stock;
- 20 l) Issue such other rules and regulations as may be necessary from time to
21 time to achieve the purposes of this Act, the same to take effect thirty
22 (30) days after its publication in a newspaper of general circulation.

23

24 **SEC. 8. Board of Directors.** - The LLDA shall be governed by a Board of
25 Directors who shall be appointed by the President of the Philippines and shall be
26 composed of the following:

- 27 1) Secretary of Environment and Natural Resources, Chairman
- 28 2) General Manager, LLDA, Vice-Chairman
- 29 3) Governor, Province of Laguna, ex officio
- 30 4) Governor, Province of Rizal, ex officio
- 31 5) Secretary, Department of Agriculture

- 1 6) Secretary, National Economic and Development Authority
- 2 7) Secretary, Department of Public Works and Highways
- 3 8) Chairman, Metro Manila Development Authority
- 4 9) Representative of the Bay Region City and Municipal Mayors'
- 5 Association to be constituted sixty (60) days from the passage of this Act from
- 6 among the mayors of towns and cities that comprise the Bay Region as defined
- 7 in Section 3 of this Act.
- 8 10) Representative of the Laguna fisher folk
- 9 11) Representative of the Rizal fisher folk

10 The representatives of the Laguna fisher folk and the Rizal fisher folk shall be
11 appointed by the President of the Philippines to be chosen from among the nominees
12 recommended by the Laguna Governor and the Rizal Governor, respectively, upon
13 consultation with the concerned sector. The term of the appointive members shall be
14 six (6) years without reappointment, or until their successors are duly appointed and
15 qualified. Vacancy, other than through the expiration of the term, shall be filled for
16 the unexpired term only.

17 *Ex-officio* Cabinet members can designate alternate representatives to the Board,
18 given the demands of their Cabinet-level position.

19 **SEC. 9. Powers and Functions.** – The Board of Directors shall exercise the
20 following powers and functions:

- 21 a) Prescribe policies, rules and regulations to govern the conduct of business
22 of the LLDA including the procedures of the Authority;
- 23 b) Upon recommendation of the General Manager, approve the LLDA's
24 organizational and administrative structures and corresponding staffing
25 patterns as may be deemed necessary, fix their reasonable compensation,
26 allowance and other benefits in accordance with the salary standardization
27 law; prescribe their duties and establish such methods and procedures as
28 may be necessary to insure the efficient, honest and economical
29 administration of the provisions and purposes of this Act; *Provided,*
30 *however,* That all personnel of the LLDA below the rank of Assistant General
31 Manager shall be appointed by the General Manager, *Provided, further,*
32 That all personnel appointed by the General Manager, except those below
33 the rank of Department Heads, and other comparable rank, shall be subject
34 to the confirmation by the Boards, *Provided, further,* That the personnel of

1 the LLDA shall be selected only from civil service eligible and be subject to
2 civil service rules and regulations.

3 c) Upon the recommendation of the General Manager, to approve the annual
4 and supplemental budget of receipts and expenditures of the LLDA, and to
5 authorize such operating and capital expenditures and disbursements of
6 the LLDA as may be necessary or proper for the effective management,
7 operation and administration of the LLDA;

8 d) Create and organize a Technical Advisory Council composed of
9 representatives from both the government and non-government sectors as
10 the Board may determine to assist and advise the Board in the conduct of
11 public consultations with Bay Region stakeholders towards a better
12 considered formulation of LLDA plans and policies; and

13 e) Perform such other functions as may be necessary to carry out the
14 provisions of this Act.

15 **SEC. 10. Board Meetings.** – The Board shall meet at least once a month.

16 **SEC. 11. Per Diems.** – The members of the Board shall each receive per diem
17 at a rate in accordance with existing rules and regulations: Provided, however, that
18 the total per diem collected each month shall not exceed the equivalent per diem for
19 four (4) meetings.

20 **SEC. 12. Sinking Fund.** – A sinking fund shall be established in such manner
21 that the total annual contribution thereto accrued at such interests as may be
22 determined by the Board of Directors as confirmed by the stockholders representing
23 a majority of the subscribed capital stock outstanding and entitled to vote, shall be
24 sufficient to redeem at maturity the bonds issued under this Act.

25 Such funds shall be under the custody of the treasurer of the authority who shall
26 invest the same in such manner as the Board of Directors may direct; charge all
27 expenses of investment to said sinking fund, and credit the same with the interest on
28 investment and other income belonging to it.

29 **SEC. 13. General Manager; Powers and Functions.** – The General Manager
30 shall be the Chief Executive Officer of the LLDA. As such, he/she shall have the
31 following powers and functions:

32 a) Submit for consideration of the Board policies and measures which he
33 believes to be necessary to carry out the purposes and objectives of this
34 Act;

- 1 b) Execute, administer, and implement the policies, plans, programs and
2 projects approved by the Board;
- 3 c) Manage and supervise the operation and administration of the LLDA;
- 4 d) Appoint all officials and employees of LLDA below the rank of Assistant
5 General Manager, remove, suspend or otherwise discipline them for cause,
6 in accordance with existing civil service rules and regulations, and submit
7 quarterly reports to the Board on personnel selection, placement and
8 training;
- 9 e) Render an annual report to the Board and various stakeholders regarding
10 the operation of the LLDA, including its latest financial statement;
- 11 f) Represent the LLDA in all dealings with offices, agencies and
12 instrumentalities of the government and with all persons and other entities,
13 public or private, domestic and foreign; and
- 14 g) Perform such other functions as may be provided in the By-Laws and as
15 may be vested in him/her by the Board.

16 **SEC. 14. *Qualifications of the General Manager.*** - The General Manager
17 shall be a citizen and resident of the Philippines. He or she shall have demonstrated
18 executive competence and experience in the field of public administration, economic
19 planning, environmental and natural resource management, or in the establishment
20 and management of large agricultural, commercial or industrial enterprises. No person
21 shall be nominated as General Manager unless he/she is of unquestioned integrity and
22 competence.

23 **SEC. 15. *Tenure of Office of the General Manager.*** – The General Manager
24 shall be appointed by the President of the Philippines for a fixed term of six (6) years.
25 In case of resignation, retirement, separation, transfer, re-assignment, removal and
26 other cause of cessation from office, the replacement shall serve only for the
27 unexpired portion of the term.

28 **SEC. 16. *Compensation.*** – The General Manager shall receive compensation
29 at rates in accordance with the salary standardization law.

30 **SEC. 17. *Management Structure.*** – In carrying out the activities of the LLDA,
31 the General Manager shall be assisted by two Assistant General Managers - one for
32 Operations and another for Administration - who shall have such powers, duties, and
33 functions as the General Manager may prescribe and/ or delegate and shall act as the
34 General Manager in his/her absence or during his/her temporary incapacity of and/or
35 until such time as a new General Manager is duly appointed.

1 The Authority shall have the following departments under the direct supervision
2 and control of the General Manager;

3 a) *Corporate Legal Affairs Department*, which shall provide legal advice and
4 support to all the corporate units on the legal implications of the various
5 undertakings of the Authority and divided into Litigation Division, and
6 Research and Documentation Division.

7 b) *Administrative Department*, which shall be responsible for providing
8 services relating to human resource management, records management,
9 and general services.

10 c) *Finance Department*, which shall be responsible on revenue planning,
11 generation, and enhancement, assistance on budgetary and financial
12 matters, and safekeeping of corporate assets.

13 d) *Policy Planning and Management Services Department*, which will
14 undertake policy research and development, and advise the General
15 Manager on policy positions and public advocacy measures for approval of
16 the Board.

17 e) *Integrated Water Resources Management Services Department*, which shall
18 serve the main technical arm of the Authority and shall integrate the
19 functions of lake basis management and development. It shall oversee the
20 management of the Laguna Lake and its river systems including the shore
21 lands.

22 f) *Environmental/ Protection Department*, which will manage all the
23 environmental regulatory functions of the Authority like clearance/permits
24 and licensing, monitoring and surveillance, enforcement and adjudication
25 and environmental quality compliance.

26 The Board shall periodically review the appropriateness of the existing
27 organizational structure and amend the same whenever it may deem necessary and
28 beneficial to achieve the purposes of this Act and to be able to respond efficiently to
29 LLDA's mandate as herein provided. Any proposed change in the organizational
30 structure of the Authority shall be subject to the approval of the President of the
31 Philippines.

32 **SEC.18. Annual Fees.** - The LLDA is hereby authorized to collect annual fees
33 for the use of the lake waters, its tributaries and shoreland areas for all beneficial
34 purposes including, but not limited to fisheries, aquaculture, municipal, agricultural,
35 irrigation, commercial, industrial, hydroelectric generation and other power potential,
36 transport and navigation, waste disposal purposes, recreation and

1 dredging/reclamation from all private and public entities whether government or non-
2 government agencies, among others the water utilities sector. All the fees so collected
3 shall be accordingly appropriated for the sustainable development of the lake and its
4 watershed areas. *Provided*, that the fees collected for fisheries may be shared between
5 the Authority and other government agencies and LGUs as follows: thirty-five percent
6 (35%) of the fish pen fee goes to shore land LGUs, five percent (5%) goes to the
7 Project Development Fund and the remaining sixty percent (60%) shall be retained
8 by the LLDA.

9 **SEC. 19. Capitalization and Financing.** - The LLDA shall have an authorized
10 capital of One Billion Pesos (P1,000,000). The authorized capital stock of One Billion
11 Pesos (P1,000,000,000) shall be divided into Ten Million (10,000,000) shares of stock
12 with a par value of One Hundred Pesos (P100) per share. The National Government
13 shall subscribe to Six Million (6,000,000) shares, the province of Laguna to One Million
14 (1,000,000) shares, the province of Rizal to One Million Thousand (1,000,000) shares,
15 and the balance of Two Million (2,000,000) shares shall be open for subscription to
16 other government agencies or LGUs and other private individuals or corporations
17 within the Bay Region.

18 The shares of stock of the LLDA shall be divided into:

19 1) 7,000,000 ordinary shares (voting); and

20 2) 3,000,000 preferred shares (non-voting).

21 **SEC 20. Funding.** - The amount necessary to subscribe and pay for the
22 remaining shares of the national government to the capital stock of the LLDA shall be
23 included in the annual General Appropriations Act. For LGUs, the funds shall be taken
24 from their internal revenue allotment and other local funds.

25 **SEC.21. Creation of LLDA Environmental Adjudication Panel.** – For the
26 purpose of effectively carrying out the quasi-judicial powers of the Authority within
27 the Bay Region, the LLDA Environmental Adjudication Panel (LEAP) is hereby created
28 to be composed of a Chairman and two (2) other members representing the Office of
29 the General Manager, the Corporate Legal Affairs Department and the concerned
30 department depending on the matter under controversy to be designated by the
31 General Manager. The LEAP is hereby mandated to take cognizance and adjudicate
32 violations of this Act including all existing and relevant laws, LLDA policies, rules and
33 regulations. Any decision, order or resolution must be concurred in by the majority of
34 the panel and duly approved by the General Manager.

35 The Corporate Legal Affairs Department shall serve as Secretariat of the LEAP.

1 **SEC. 22. *Creation of a Lake Police Force.*** - The National Police Commission
2 shall constitute and assign a special police force to be known as the Laguna Lake
3 Police, exclusively for the Bay Region, trained especially for enforcement of laws on
4 fisheries and environmental laws and the rules and regulations duly promulgated by
5 the LLDA.

6 The extent of operational supervision and control by the General Manager over
7 the Laguna Lake Police shall be the same as that of local chief executives over police
8 force of LGUs as defined in the Department of Interior and Local Government Act of
9 1990 (R.A. 6975), in relation to Sec. 73 of the Local Government Code of 1991 (R.A.
10 7160). The LLDA Board, the local government units (LGUs) and the leadership of the
11 Philippine National Police shall within sixty (60) days from the passage of this Act
12 constitute a technical working group that will further delineate and define the nature
13 and character of this unit in order to avoid any overlap and potential conflict with the
14 LGU police units within the Bay Region.

15 **SEC. 23. *Clean-up Operations and Rehabilitation Plan.*** – The Authority is
16 mandated to expedite the rehabilitation and reparation of coastal and marine
17 ecosystem of Laguna Lake, including the restoration of the water quality of the lake.
18 It shall prepare and/or implement a Rehabilitation Plan for this purpose. The Authority
19 shall, in coordination with DENR and other concerned agencies and LGUs, conduct,
20 within one hundred eighty days (180) days from the effectivity of this Act and
21 periodically thereafter, clean-up operations of areas of the lake, which have the
22 biggest source of pollutants. This provision shall not be interpreted to amend Sections
23 16 and 28 of R.A. 9275.

24 The clean-up operations mandated under this Section shall be undertaken in
25 consultation with the appropriate departments of the University of the Philippines
26 System.

27 Initial funds for the clean-up operation shall be sourced from National Water
28 Quality Management Fund established under Republic Act N. 9275, otherwise known
29 as the Philippine Clean Water Act of 2004. The additional amount necessary for the
30 clean-up operation and rehabilitation shall be included in the General Appropriation
31 Act.

32 **Sec. 24. *Joint Congressional Oversight Committee.*** — A Joint
33 Congressional Oversight Committee on the Restoration and Rehabilitation of
34 Laguna De Bay, hereinafter referred to as the "Oversight Committee", is hereby
35 constituted in accordance with the provisions of this Act. The Committee shall be
36 composed of the Chairpersons of the Committees on Government Corporations
37 and Public Enterprises of both Houses of Congress, the Chairperson of the
38 Committee on Appropriations of the House of Representatives, the Chairperson of

1 the Committee on Finance of the Senate, and three (3) additional members from
2 each House to be designated by the Senate President and the Speaker of the
3 House of Representatives. The Oversight Committee shall be in existence for a
4 period of ten (10) years from the effectivity of this Act.

5 The Authority shall report to the Oversight Committee on semi-annual basis
6 the status of the water quality of Laguna de Bay and the implementation of the
7 Rehabilitation Plan.

8 **SEC. 25. Exemption from Tax.** – The Authority shall be exempt from all taxes,
9 licenses, fees, imposts, charges, costs and duties except real property tax incidental
10 to its operations and service/filing fees in any court or administrative proceedings in
11 which it may be a party, restrictions and duties to the Republic of the Philippines, its
12 provinces, cities, municipalities and other government agencies and instrumentalities.
13 Such exemption shall include any tax or fee imposed by the government on the sale,
14 purchase or transfer of foreign exchange. All notes, bonds, debentures and other
15 obligations issued by the Authority shall be exempt from all taxes both as to principal
16 and interest.

17 **SEC. 26. Fines and Penalties.** - The LLDA is authorized to impose
18 administrative fines and other penalties it may deem reasonable and appropriate
19 within the bounds of existing law on the same or similar offenses as determined and
20 approved by the Board for non-compliance with permit conditions and for undertaking
21 development activities without clearance/permit from the LLDA against any person,
22 juridical or otherwise, within the Bay Region who may be found violating, or have in
23 fact violated, any of its rules and regulations.

24 Likewise, the LLDA is authorized to institute the necessary legal proceedings
25 against those who shall commence to implement any development activities within
26 the Bay Region not cleared nor approved by the LLDA.

27 **SEC. 27. Damages.** - Compensation for any damage to the shore land, water
28 and aquatic resources of Laguna Lake and its tributaries resulting from failure to meet
29 established water and effluent quality standards or from such other wrongful act or
30 omission of a person, *private* or public, juridical or otherwise, punishable under the
31 law shall be awarded to the LLDA for water quantity/quality control and management
32 projects.

33 **SEC. 28. Penal and Civil Liability Clause.** - Any person, natural or juridical,
34 who shall violate any of the *provisions* of this Act or any rules and regulations
35 promulgated by the Authority pursuant thereto shall be liable to imprisonment of not
36 exceeding three (3) years or to a fine not less than Fifty Thousand Pesos (P50,000.00)
37 or both at the discretion of the court. This is without prejudice to the imposition of

1 penalties as may be provided under existing and relevant laws, rules and regulations.

2 If the violator be a corporation, partnership or association, the officer / officers
3 of the organization concerned shall be held liable.

4 The LLDA is hereby authorized to initiate, file, prosecute and defend all suits,
5 actions or to pursue separate civil actions for damages resulting from infractions of
6 the provisions of this Act, rules or regulations issued pursuant thereto and/or
7 conditions embodied in the clearances or permits issued by the Authority.

8 **SEC. 29. Auditor.** - The Chairman of the Commission on Audit shall be the ex
9 officio Auditor of the LLDA. For this purpose, he/she may appoint a representative
10 who shall be the

11 Auditor of the LLDA, and the necessary personnel to assist said representative
12 in the performance of his/her duties.

13 The Chairman of the Commission on Audit or his/her authorized representative
14 shall submit to the Board soon after the close of each calendar year, an audited
15 statement showing the financial condition and progress of the LLDA for the calendar
16 year just ended.

17 **SEC. 30. Implementing Rules and Regulations.** - The LLDA in coordination
18 with the proper standing Committees of both the Senate and the House of
19 Representatives and other concerned agencies shall promulgate the implementing
20 rules and regulations (IRR) for this Act, within six (6) months after its enactment:
21 *Provided,* that the rules and regulations issued by other government agencies and
22 instrumentalities for the prevention and/or abatement of water pollution not
23 inconsistent with this Act shall supplement the rules and regulations issued by the
24 LLDA pursuant to the provisions of this Act.

25 **SEC. 31. Repealing Clause.** - Republic Act No. 4850 as amended, Presidential
26 Decree No. 813, and Executive Order No. 927, and all laws, orders, issuance, rules
27 and regulations inconsistent herewith are hereby repealed.

28 **SEC. 32. Separability Clause.** - If any provision of this Act is declared
29 unconstitutional, the same shall not affect the validity and effectiveness of the other
30 provisions hereof.

31 **SEC. 33. Effectivity.** - This Act shall take effect fifteen (15) days following its
32 publication in at least two (2) national newspapers of general circulation.

33 Approved,