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

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SENATE



COMMITTEE REPORT NO. 517

Submitted jointly by the Committees on Local Government; Economic Affairs; Government Corporations and Public Enterprises; and Finance on JAN 2 5 2022.

Re: House Bill No. 8218

Recommending the approval of House Bill No. 8218 with amendments, taking into consideration Senate Bill No. 544

Sponsor: Senator Francis "Tol" N. Tolentino

MR. PRESIDENT:

The Committees on Local Government; Economic Affairs; Government Corporations and Public Enterprises; and Finance, to which were referred **House Bill No. 8218**, introduced by Representatives Jose Enrique "Joet" S. Garcia III, Eric L. Olivarez, Noel L. Villanueva, Eric Go Yap, Geraldine B. Roman, et al. entitled:

"AN ACT

CREATING THE METRO BATAAN DEVELOPMENT AUTHORITY, DEFINING ITS POWERS AND FUNCTIONS, AND PROVIDING FUNDS THEREFOR"

taking into consideration **Senate Bill No. 544**, introduced by Senator Juan Miguel F. Zubiri, entitled:

"AN ACT

CREATING THE METRO BATAAN DEVELOPMENT AUTHORITY,
DEFINING ITS POWERS AND FUNCTIONS, PROVIDING FUNDS
THEREFOR AND FOR OTHER PURPOSES"

have considered the same and have the honor to report it back to the Senate with the recommendation that House Bill No. 8218, taking into consideration Senate Bill No. 544, be approved with the following amendments:

1. On page 2, lines 10 to 25, delete entire Section 4 and replace with a new Section 4, to read thus:

"SEC. 4. METRO BATAAN DEVELOPMENT COUNCIL. — THE METRO BATAAN DEVELOPMENT COUNCIL (COUNCIL) SHALL BE THE GOVERNING BOARD AND POLICY-MAKING BODY OF THE MBDA. THE COUNCIL SHALL BE COMPOSED OF THE GOVERNOR OF BATAAN AS EX OFFICIO CHAIRPERSON; THE CONGRESSIONAL REPRESENTATIVES OF THE PROVINCE OF BATAAN AND THE MAYORS OF THE CITY OF BALANGA AND THE MUNICIPALITIES OF ABUCAY, BAGAC, DINALUPIHAN, HERMOSA, LIMAY, MARIVELES, MORONG, ORANI, ORION, PILAR, AND SAMAL AS EX OFFICIO MEMBERS.

THE REGION III REGIONAL DIRECTORS OF THE DEPARTMENT OF THE INTERIOR AND LOCAL GOVERNMENT (DILG), DEPARTMENT OF ENVIRONMENT AND NATURAL RESOURCES (DENR), DEPARTMENT OF PUBLIC WORKS AND HIGHWAYS (DPWH), LAND TRANSPORTATION OFFICE (LTO), OFFICE OF CIVIL DEFENSE (OCD), AND PHILIPPINE NATIONAL POLICE (PNP) SHALL SERVE AS EX OFFICIO MEMBERS OF THE COUNCIL WITHOUT VOTING RIGHTS.

ANY MAYOR MAY OPT OUT PRIOR TO VOTING SUCH THAT THE DECISION OR ACTION APPROVED BY THE COUNCIL SHALL NOT APPLY TO THE CITY OR MUNICIPALITIES THAT OPTED OUT: PROVIDED, THAT THE COUNCIL SHALL ONLY ADDRESS PROVINCEWIDE, MULTI-MUNICIPALITY, OR INTER-MUNICIPALITY CONCERNS.

- 2. On page 2, line 30, delete the words "Sections 15 and 16" and replace with the words "SECTIONS 13 AND 14";
- On page 9, line 2, delete the phrase "and congressional representative";
- 4. Still on page 9, delete lines 4 to 8;

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5. Still on page 9, lines 9 to 19, delete the entire Section 14 and replace with a new Section 14, to read thus:

"SEC. 14. AMICABLE RESOLUTION CLAUSE. – IN THE FORMULATION AND IMPLEMENTATION OF DEVELOPMENT INITIATIVES, PROGRAMS, AND PROJECTS, THE MBDA SHALL SOLICIT AND CONSIDER THE INPUTS OF RELEVANT NATIONAL GOVERNMENT AGENCIES. CONCERNED NATIONAL GOVERNMENT AGENCIES SHALL LIKEWISE CONSULT THE MBDA AND ITS MEMBER LGUS PRIOR TO THE IMPLEMENTATION OF DEVELOPMENT PROJECTS FUNDED BY THE NATIONAL GOVERNMENT. POTENTIAL OR ACTUAL CONFLICTS OR DISPUTES ARISING FROM POLICY MATTERS, INITIATIVES, PROGRAMS, AND PROJECTS SHALL BE AMICABLY RESOLVED TO THE MUTUAL SATISFACTION OF ALL CONCERNED: PROVIDED, THAT ANY IMPASSE SHALL BE RESOLVED IN FAVOR OF LOCAL AUTONOMY."

6. Finally, to renumber all Sections accordingly and subject to style.

Respectfully submitted:

Chairpersons

SEN. IMEE R. MARCOS

Committee on Economic Affairs Vice Chairperson, Committees on Local Government; and Finance SEN. FRANCIS "TOL" N. TOLENTINO

Committee on Local Government Member, Committees on Economic Affairs; and Finance

SEN. SONNY ANGARA

Committee on Finance Vice Chairperson, Committee on Economic Affairs SEN. RICHARD J. GORDON

Committee on Government Corporations and Public Enterprises
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SEN. WIN GATCHALIAN

Committees on Economic Affairs; Government Corporations and Public Enterprises; and Finance Member, Committee on Local Government SEN. CYNTHIA A. VILLAR

Committee on Finance Member, Committees on Local Government; and Government Corporations and Public Enterprises

Prie S. Centros SEN. PIA S. CAYETANO

Committee on Finance Member, Committee on Economic Affairs SEN. CHRIST/OPHER BONG GO

Committee on Finance Member, Committees on Local Government; and Government Corporations and Public Enterprises

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SEN. GRACE POE

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Committees on Government Corporations and Public Enterprises; and Finance

SEN. MARUEL "LITO" M. LAPID

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Committee on Finance

Ex Officio Members

SEN. RALPH & RECTO President Fro-Tempore

SEN MAN MIGUEL F. ZUBIRI

Majority Leader

SEN. FRANKLIN M. DRILON

Minority Leader

HON. VICENTE C. SOTTO III

Senate President

CONGRESS OF THE PHILIPPINES
EIGHTEENTH CONGRESS
Second Regular Session

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HOUSE OF REPRESENTATIVES

H. No. 8218

By Representatives Garcia (J.E.), Olivarez, Villanueva (N.), Yap (E.), Roman, Sinsuat, Dimaporo (A.), Gatchalian, Biazon, Pimentel, Albano, Caminero, Limkaichong, Rodriguez, Go (M.), Momo, Revilla, Roque, Hernandez, Salo, Palma, Sy-Alvarado, Estrella, Fernandez, Villafuerte, Mangaoang, Nograles (J.J.), Tan (A.), Del Mar, Almario, Zamora (W.K.), Gonzaga, Bautista-Bandigan, Tambunting and Malapitan. Per Committee Report No. 667

AN ACT CREATING THE METRO BATAAN DEVELOPMENT AUTHORITY, DEFINING ITS POWERS AND FUNCTIONS, AND PROVIDING FUNDS THEREFOR

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 as the "Metro Bataan Development Authority Act".

SEC. 2. Declaration of Policy. - Consonant with the declaration of the policy of the State as provided in the Constitution, Republic Act No. 7160, otherwise known as the "Local Government Code of 1991", as amended, and other pertinent national laws, it is hereby declared the policy of the State to encourage local government units (LGUs) to group themselves to coordinate efforts, services, and resources for purposes commonly beneficial to their respective constituencies. It is also declared the policy of the State to integrate and coordinate the delivery of certain basic services as well as enforcement of laws, rules, and regulations in the Province of Bataan through (a) the Metro Bataan Development Council, hereinafter referred to as the Council, and (b) the Metro Bataan Development Authority (MBDA), as created herein.

SEC. 3. Creation of the MBDA. – A government instrumentality under the supervision of the Office of the President of the Philippines to be known as the MBDA, is hereby created as the implementing arm of the Council with purely administrative functions to promote the rational development and ensure the efficient delivery of basic services in the Province of Bataan.

The MBDA shall perform the planning and implementation of policies, monitoring, and coordinative functions, and shall exercise regulatory and supervisory authority over the delivery of services in accordance with Section 5 of this Act.

- SEC. 4. Metro Bataan Development Council. The Council shall be the governing board and policymaking body of the MBDA and shall be composed of the Governor and congressional representatives of the Province of Bataan who shall sit as ex officio Co-Chairpersons of the Council, and the Mayors of the City of Balanga and the Municipalities of Abucay, Bagac, Dinalupihan, Hermosa, Limay, Mariyeles, Morong, Orani, Orion, Pilar, and Samal as ex officio members. The provincial directors of the Department of the Interior and Local Government (DILG), Department of Environment and Natural Resources (DENR), Office of Civil Defense (OCD), and Philippine National Police (PNP), and the district engineers of the Department of Public Works and Highways (DPWH), shall be ex officio members of the Council without voting rights. The unanimous vote of the Council shall be necessary for any decision or action taken by the Council, However, any Mayor may opt out prior to voting, in which case the unanimous approval of the remaining members of the Council shall be necessary. The decision or action approved by the Council shall not apply to municipalities that opted out. The Council shall only address province-wide, multi-municipality, or inter-municipality concerns,
- **SEC. 5. Scope of MBDA Services.** The MBDA shall have the authority to provide services to the entire province or to multiple LGUs for areas that are socio-economically interdependent or which entail expenditure beyond the capacity of any single LGU in the Province of Bataan.

Subject to the limitations set forth in Sections 15 and 16 hereof and when requested by concerned LGUs, in coordination with the appropriate national agencies, the MBDA shall perform the following services:

(a) Assistance to the Bataan Provincial Planning and Development Office (PPDO) in development planning, which includes the preparation of

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proposed medium- and long-term development plans, the development, evaluation and packaging of proposed projects, investment programming, and coordination and monitoring of plans, programs, and projects required by the provincial development plan as approved by the Sangguniang Panlalawigan: Provided, That the PPDO shall have primary jurisdiction over development planning in the Province of Bataan:

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- (b) With respect solely to provincial and national roads, transportation and traffic management, which include the coordination and monitoring of policies, standards, programs, and projects approved by the Council to rationalize the existing transport operations in coordination with the Department of Transportation (DOTr); the determination, planning, requirements of infrastructure provision and procurement. coordination with the DPWH; the enhancement of the safe use of thoroughfares; the promotion of safe and convenient movement of persons and goods; the provision of transport systems and the establishment of a system to regulate road users; the administration and implementation of all traffic enforcement operations; the provision of traffic engineering services; and the provision of traffic services and traffic education programs;
- (c) Solid waste disposal and management which includes the formulation and implementation of policies, standards, programs and projects for proper and sanitary waste disposal; the establishment and operation of sanitary landfill and other related facilities; and the implementation of other alternative programs intended to reduce, reuse and recycle solid waste. This is without prejudice to the authority and right of LGUs to perform these services or enter into agreements providing such services in coordination with the DENR;
- (d) Assistance in flood control and sewerage management which includes the formulation and implementation of policies, standards, programs and projects for an integrated flood control, drainage and sewerage system. This is without prejudice to the authority and right of LGUs to perform these services or enter into agreements providing such services in coordination with the DPWH;

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- (e) Assistance in the formulation, adoption, and implementation of policies on standards, rules and regulations, programs, and projects pertaining to the rationalization and optimization of land use, and assistance in the formulation of growth and expansion plans, the rehabilitation and development of slum and blighted areas, the development of shelter and housing facilities, and the provision of necessary social services thereof. This is without prejudice to the authority and right of LGUs to perform these services or enter into agreements providing such services in coordination with the appropriate national agency;
- (f) Assistance in health and sanitation protection and pollution control which includes the implementation of policies, rules and regulations, standards, programs and projects for the promotion and safeguarding of the health and sanitation of the province and the enhancement of ecological balance and the prevention, control and abatement of environmental pollution; and
- (g) Ensuring disaster resilience through the implementation of programs, policies and procedures to achieve preparedness for preventive or rescue operations during times of calamities and disasters such as conflagrations, earthquakes, flood and tidal waves; and coordination and mobilization of resources and the implementation of contingency plans for rehabilitation and relief operations.

SEC. 6. Functions and Powers of the Metro Bataan Development Authority. – The MBDA shall:

- (a) Coordinate and monitor the implementation of approved medium- and long-term plans and programs for the delivery of province-wide services, consistent with the national development objectives and priorities;
- (b) Undertake and manage approved plans and projects for the delivery of specific services under its jurisdiction, subject to the approval of the Council;
- (c) Coordinate, monitor, and adopt solutions to problems of implementation of such plans, programs, and projects in the province, identify bottlenecks, and adopt solutions to the problems of implementation;
- (d) Implement existing and approved traffic policies on provincial and national roads, coordinate and regulate the implementation of all approved

programs and projects concerning traffic management on provincial and national roads specifically pertaining to enforcement, engineering, and education: *Provided*, That upon request by LGUs and other government agencies and with the approval of the Council, it shall extend assistance and cooperation including the assignment of personnel to such LGUs and other government agencies and offices;

- (e) When deputized by the Land Transportation Office (LTO), concerned LGUs and other government authorities, shall issue tickets, citations and collect fines and penalties for violations of traffic rules and regulations on provincial and national roads, whether moving or non-moving in nature;
- (f) Enter into contracts approved by the Council to enable it to carry out its purpose and functions under this Act; and
- (g) Perform other related functions to achieve the objectives of the MBDA and provide the services in Section 5 of this Act, including the undertaking of the delivery of basic services to the LGUs not otherwise provided in Section 5 of this Act, when deemed necessary, subject to prior coordination with and consent of the LGU concerned and the Council.

SEC. 7. Official Misconduct. — The MBDA shall exercise its functions and powers impartially, without regard to the political interests or affiliations of the members of the Council. Failure to do so shall constitute official misconduct punishable by law, in particular, Section 3 of Republic Act No. 3019, otherwise known as "The Anti-Graft and Corrupt Practices Act", and shall, following observance of due process, result in the immediate termination of the erring MBDA officer or personnel.

SEC. 8. Metro Bataan Development Authority Administrator. – The MBDA shall be headed by an Administrator, to be appointed by the President of the Philippines and chosen from a list of at least three (3) nominees submitted by the Council. The Administrator shall have a term of three (3) years unless otherwise removed for cause in accordance with law, and shall have the rank, rights, disqualifications, and prohibitions of an Undersecretary under existing civil service rules and regulations. The Administrator shall not be related to any member of the Council within the fourth civil degree of consanguinity or affinity.

The Administrator shall be assisted by a Deputy Administrator for Finance and Administration and a Deputy Administrator for Planning and Operations, both of whom shall be appointed by the Administrator with the concurrence of the Council, subject to civil service laws, rules and regulations. They shall enjoy security of tenure unless otherwise removed for cause in accordance with law. The Deputy Administrator for Finance and Administration and the Deputy Administrator for Planning and Operations shall not be related to the Administrator or any member of the Council within the fourth civil degree of consanguinity or affinity.

SEC. 9. Functions of the Administrator. - The Administrator shall:

- (a) Appoint, subject to civil service laws, rules and regulations, all subordinate officers and employees, who shall enjoy security of tenure and may be removed only for cause in accordance with law. The Administrator is hereby authorized to engage the services of experts or consultants, on full-time or part-time basis, as may be required in the performance of the Administrator's functions and duties. No subordinate officer or employee shall be related to the Administrator or any member of the Council within the fourth civil degree of consanguinity or affinity. The same prohibition shall apply to the engagement of experts or consultants or to outsourced work;
- (b) Execute the policies, measures, and programs approved by the Council and be responsible for the efficient and effective day-to-day management of the operations of the MBDA;
- (c) Prepare the annual budget for the operations of the MBDA for the consideration and approval of the Council;
- (d) Submit for consideration of the Council such other duties and measures as may be deemed necessary to carry out the purposes and provisions of this Act;
- (e) Subject to civil service laws, rules and regulations, and the approval of the Council and the Department of Budget and Management (DBM), determine the staffing pattern, fix the compensation of the officers and personnel of the MBDA in accordance with Republic Act No. 11466, otherwise known as the "Salary Standardization Law of 2019", fix the number of subordinate officials and employees of the MBDA, and

exercise the power to discipline subordinate officials and employees in accordance with law;

- Supervise the operation of various operating centers and units of the MBDA;
- (g) Formulate and recommend policies and programs to the Council for the efficient delivery of province-wide services;
- (h) Prepare an annual report on the activities and accomplishments of the MBDA at the close of each year for submission to the Council and the Office of the President of the Philippines;
- (i) Ensure that all information, official records, documents and papers pertaining to official acts, transactions or decisions of the Council and the MBDA, including research data used by the Council and the MBDA as basis for policy development, are preserved and made available to the public when requested; and
- (j) Perform other duties and functions as may be lawfully delegated or assigned by the Council from time to time.

SEC. 10. Institutional Linkages of the MBDA. – The MBDA shall, in carrying out its functions, consult, coordinate and work closely with the LGUs, the DPWH, DOTr, and other national government agencies; accredited people's organizations (POs); nongovernment organizations (NGOs); and the private sector operating in Bataan.

The MBDA shall prepare a master plan to be approved by the Council and the PPDO that shall serve as the framework for the local development plans of the component LGUs.

The implementation of the MBDA's plans, programs and projects shall be undertaken by the LGUs, the concerned national agencies, the POs, NGOs and the private sector and MBDA itself, as necessary and where appropriate, to meet the objectives of this Act. For this purpose, the MBDA may enter into contracts approved by the Council with such entities for the achievement of such purposes.

SEC. 11. Sources of Funds and Operating Budget of the MBDA. – The amount necessary for the operating budget of MBDA shall be included in the annual General Appropriations Act.

The MBDA is likewise empowered to impose administrative fees and charges on such rates and amounts approved by the Council for various services rendered.

The MBDA, through the Council, and subject to the approval of the LGUs and their respective *sanggunians*, may call on its member city and municipalities to contribute such amount as may later on be determined for its operation and the implementation of projects.

The MBDA may accept donations and grants from local and foreign sources. In case of grants, in cash or kind, from governments of foreign countries or their agencies and instrumentalities, or from multilateral institutions or organizations, acceptance thereof shall be subject to the prior clearance and approval by the Council and the President of the Philippines or the authorized representative based on the recommendation of the Secretary of Finance. On the other hand, other donations, in cash or in kind, from foreign governments shall require prior clearance and approval by the Council and the President of the Philippines, or the authorized representative based on the recommendation of the Secretary of Foreign Affairs.

The MBDA may, subject to the approval of the Department of Finance (DOF), the *Bangko Sentral ng Pilipinas (BSP)*, the National Economic and Development Authority (NEDA), and the Council, obtain financing support from local and foreign sources.

SEC. 12. Transparency Clause. — Pursuant to Executive Order No. 2, s. 2016, the public shall have access to information, official records, documents and papers pertaining to official acts, transactions or decisions of the Council and the MBDA, as well as to research data used by the Council and MBDA as basis for policy development. The Council and the MBDA shall preserve and make readily accessible all such information, official records, documents, and papers. As provided by E.O. No. 2, failure to do so shall be a ground for the imposition of administrative and disciplinary sanctions on the erring officers or employees, without prejudice to prosecution for violation of other laws.

SEC. 13. Non-Diminution Clause. – The Council cannot modify, overrule or disregard resolutions passed by the Sangguniang Barangay, Sangguniang Bayan, Sangguniang Panlungsod, and Sangguniang Panlalawigan within the Province of Bataan. It cannot also modify, overrule, or disregard ordinances enacted and ratified by the local sanggunians and executive orders of local chief executives.

In discharging its functions and performing its services under Sections 4 and 5 herein, the MBDA shall, in no case, diminish or undermine the autonomy of the LGUs. The member LGUs shall continue to have control and be responsible for

their respective local projects and services. No MBDA service shall be implemented in a locality unless the LGU and congressional representative concerned concurs thereto.

Moreover, under no circumstances shall the Council or MBDA diminish, disregard, limit, undermine, or overrule the authority, capacity, duty, and prerogative of national agencies to identify, sponsor, approve, and supervise the implementation of infrastructure and other projects in the Province of Bataan in coordination with concerned congressional representatives or local chief executives.

- SEC. 14. Preemption Clause. Nothing in this Act shall preempt the President of the Philippines and the heads of national agencies, including the DPWH, DILG, DENR, Department of National Defense (DND), OCD, DOH, PNP, and NEDA from reviewing, modifying, and overruling any decision of the Council or enjoining any action to be taken or being undertaken by the MBDA in case of potential or actual conflict or overlap with planned or ongoing initiatives, programs, and projects of the national agencies. Moreover, nothing in this law shall prevent the LGUs from exercising their functions and powers as defined by the Local Government Code of 1991. In case of conflict between the exercise of functions and powers by the MBDA and the LGUs, the exercise of functions and powers by the LGUs shall prevail.
- SEC. 15. Internal Audit. Notwithstanding the provisions of Republic Act No. 4177, amending certain sections of Republic Act No. 3456, otherwise known as the "Internal Auditing Act of 1962", the Council shall appoint the members of the independent internal audit service of the MBDA.
- SEC. 16. Separability Clause. In case any part or provision of this Act is held unconstitutional or invalid, other parts or provisions thereof which are not affected shall continue to remain in full force and effect.
- **SEC. 17.** Repealing Clause. All laws, executive orders, rules and regulations or parts thereof inconsistent with or contrary to the provisions of this Act are hereby repealed or modified accordingly.
- SEC. 18. Effectivity. This Act shall take effect fifteen (15) days after its publication in the Official Gazette or in a newspaper of general circulation.
 - Approved,

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