

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

7 SEP 11 10:59

SENATE

S.B. No. 1551

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Introduced by Senator **JUAN MIGUEL F. ZUBIRI**

EXPLANATORY NOTE

This bill seeks to exempt capital towns of provinces from the income requirement prescribed under Republic Act No. 7160 as amended by Republic Act No. 9009. The amendatory law significantly increased the income requirement from Twenty Million Pesos (P20,000,000.00) to One Hundred Million (P100,000,000.00) for a municipality or cluster of barangays to be converted into a city.

This measure seeks to automatically convert capital towns of provinces into cities provided there is no city within the province yet. The capital town must have an income, for the last two (2) consecutive years, of at least Eighty Million Pesos (P80,000,000.00).

Obviously, the intent is to empower the provinces as they shall then have higher shares in the Internal Revenue Allotment. Greater autonomy in the collection and fiscal administration of local and real property taxes will allow the provincial government to efficiently and effectively deliver basic services. Moreover, the elevation of capital towns in the level of a city will certainly attract foreign investments.

Development in the periphery rather than at the center is a concept that is consistent with people empowerment. Those who labor in the countryside need to be told that the government is aware and cognizant of their contribution to the national economy. Expectedly, with the passage of this bill, they shall reap in real terms what they, after all, have been giving to this country.

In view hereof, immediate approval of this bill is highly recommended.


JUAN MIGUEL F. ZUBIRI

1 SECTION 2. *Plebiscite.* - Existing capital towns are hereby converted into component
2 cities upon approval by a majority of the votes cast in a plebiscite to be held in the said capital
3 towns. The Department of Interior and Local Government (DILG) shall submit to the Commission
4 on Elections (COMELEC) the list of capital towns, which qualify under this Act.

5 The COMELEC shall conduct and supervise such plebiscite in qualified capital towns
6 within sixty (60) days upon submission of the income as certified by the Department of Finance.
7 The expenses for such plebiscite shall be borne by the capital towns concerned.

8 SECTION 3. *Applicability of Laws.* – The provisions of Republic Act No. 7160 otherwise
9 known as the Local Government Code of 1991, and other laws as are applicable to cities shall
10 govern the capital towns, which are converted into cities under the immediately preceding Section,
11 in so far as they are not inconsistent with the provisions of this Act.

12 SECTION 4. *Rules and Regulations.* – The DILG, in coordination with the Department of
13 Finance, shall issue the necessary rules and regulations within thirty (30) days after the effectivity
14 of this Act.

15 SECTION 5. *Effectivity* – This Act shall take effect fifteen (15) days after its complete
16 publication in at least two (2) national newspapers of general circulation.

17 Approved,