

11 DEC -5 10:19

SENATE

Senate Bill No. **3081**

Introduced by SENATOR PANFILO M. LACSON

EXPLANATORY NOTE

For a municipality to be converted into a city, 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.

However, there are some municipalities which despite its small land area or population, have nevertheless demonstrated unquestionable capacity to provide essential government facilities and social services to its inhabitants, comparable or sometimes even surpassing that being provided by existing cities. Thus, it would be utterly unfair to the inhabitants of such municipalities to forever foreclose their right to the benefits of cityhood, simply because their municipalities' land area or population is less than that required by the Local Government Code of 1991 as amended.

At the same time, while there is no hard and fast rule to determine the optimum populace or land area for a city, applying by analogy the principles of political law for creation of a sovereign state, the population must be numerous enough and able to procreate in order to ensure perpetuation of the political entity. With regard to its land area, the same must be large enough to be able to sufficiently provide for its people.

Noteworthy are the small states, specifically: *Monaco*, a tiny state along the French Riviera which has an area of just 0.75 square miles (1.94 sq. km.) and a population of just 32,000. The island state of *Nauru*, became independent in 1968, and has an area of just 8.5 square miles (22 sq. km.) and a population of just 13,000.

Tuvalu, formerly known as the *Ellice Islands*, gained its independence in 1978, and has an area of just 9 square miles (23.3 sq. km.) and a population of 12,000. *San Marino*, located on Mt. Titano in north central Italy, which has an area of just 24 square miles (62.16 sq. km.) and a population of just 29,000.

If the above political entities have attained its status as an independent state despite its small population and land area, with more reason, municipalities which have time and again demonstrated their capacity to thrive despite their small population and land area should be allowed to upgrade its status to that of a city.

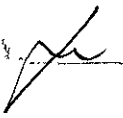
For purposes of this legislative measure, if a municipality which has a land area of at least fifty (50) square kilometers or inhabitants of at least twenty-five thousand (25,000) generates a local income of at least two hundred twenty million pesos (P220,000,000.00), then it is qualified to be converted into a component city.

For the reasons above stated, approval of this bill is earnestly sought.


PANFILO M. LACSON
Senator

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SENATE
Senate Bill No. 3081

RECEIVED BY 

Introduced by SENATOR PANFILO M. LACSON

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 2010 CONSTANT PRICES

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

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

“Sec. 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 (100,000,000.00) 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 requirement prescribed herein.

**PROVIDED THAT, NOTWITHSTANDING THE FOREGOING, A
MUNICIPALITY WHICH HAS AN AREA OF AT LEAST FIFTY (50)
SQUARE KILOMETERS OR INHABITANTS OF AT LEAST TWENTY
FIVE THOUSAND (25,000) MAY BE CONVERTED INTO A
COMPONENT CITY IF IT HAS A LOCALLY GENERATED INCOME, AS
CERTIFIED TO BY THE DEPARTMENT OF FINANCE, OF AT LEAST
TWO HUNDRED TWENTY MILLION PESOS (P220,000,000.00) FOR
THE LAST TWO CONSECUTIVE YEARS BASED ON THE 2010
CONSTANT PRICES.**

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

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

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

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

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

Approved,