


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SENATE

SENATE BILL NO. 1100

RECEIVED BY: 

INTRODUCED BY SENATOR JOSEPH VICTOR G. EJERCITO

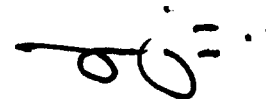
**AN ACT ESTABLISHING THE SOLIDARITY FUND OF THE LOCAL
GOVERNMENT UNITS FOR DISASTER RESPONSE AND RECOVERY**

EXPLANATORY NOTE

Republic Act No. 10121, otherwise known as "An Act Strengthening the Philippine Disaster Risk Reduction And Management System, Providing For The National Disaster Risk Reduction And Management Framework And Institutionalizing The National Disaster Risk Reduction and Management Plan, Appropriating Funds and For Other Purposes," the Local Disaster Risk Reduction and Management Fund (LDRRMF) is composed of "not less than (5%) of the estimated revenue from regular sources" and "of the amount appropriated for LDRRMF, thirty percent (30%) shall be allocated as Quick Response Fund or stand-by relief and recovery programs in order that situation and living conditions of people in communities or areas stricken by disasters, calamities, epidemics, or complex emergencies, may be normalized as quickly as possible".

In the event of a disaster, calamity epidemic or complex emergency, the Quick Response Fund is the first fund that is depleted and often, found insufficient. This legislative measure therefore seeks to provide for a Solidarity Fund of the Local Government Units (LGUs), which will serve as a second layer of Quick Response Fund. The Solidarity Fund shall be taken from a portion of the LDRRMF of the LGUs and will serve to augment the funds available to LGUs to address their disaster response and recovery needs. The Solidarity Fund may also be used to pay premiums for securing catastrophic insurance for the public infrastructure of the LGUs.

In view of the foregoing, the immediate enactment of this measure is earnestly sought.



JOSEPH VICTOR G. EJERCITO
Senator



'16 AUG 25 A11 :28

SENATE

SENATE BILL NO. 1100

PREPARED BY: *J.*

INTRODUCED BY SENATOR JOSEPH VICTOR G. EJERCITO

**AN ACT ESTABLISHING THE SOLIDARITY FUND OF THE LOCAL
GOVERNMENT UNITS FOR DISASTER RESPONSE AND RECOVERY**

*Be 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 Local Government
2 Units (LGU) Solidarity Fund for Disaster Response and Recovery Act.
3

4 **SECTION 2. Declaration of Policy** - It is the declared policy of the State to
5 increase local capacity to build disaster resilience of communities and to strengthen
6 institutional mechanisms for the reduction of disaster risks and enhancement of
7 preparedness and response capabilities at all levels.
8

9 **SECTION 3. Solidarity Fund** - A Solidarity Fund will be held as a trust account
10 in a government bank. Disbursement from said fund will be subject to the issuance of a
11 release order of the supervisory board.
12

13 The Supervisory Board shall be composed of the following: Secretary of the
14 Department of Interior and Local Government, and representatives from the following;
15 Union of Local Authorities of the Philippines, League of Provinces of the Philippines,
16 League of Cities of the Philippines, League of Municipalities of the Philippines and the
17 Liga ng mga Barangay. They shall serve in an ex-officio capacity.
18

19 **SECTION 4. Source of the Solidarity Fund** - All Local Government Units are
20 hereby mandated to contribute point five percent (0.5%) of their total revenues taken
21 from the Local Disaster Risk Reduction and Management Fund (LDRRMF) other than
22 the amount set aside for the quick response fund,
23

24 Provided that an LGU who availed of the Solidarity Fund shall contribute one
25 percent (1%) of their LDRRMF for the next year;

26 Provided further, that the LGU shall revert to the point five percent (0.5%)
27 contribution if it did not avail of the solidarity fund for the previous year.

28
29 **SECTION 5. Availment of the Solidarity Fund** - In the event of a disaster, any
30 affected LGU can avail of the Solidarity Fund upon submission of the following: local
31 Resolution declaring a State of Calamity and Certificate of Exhaustion of the Quick
32 Response Fund.

33
34 The maximum payout arising out of any single disaster is 100 times of the LGU
35 contribution to be released in two equal tranches. The second tranche shall be released
36 only upon full liquidation of the first tranche released.

37
38 The maximum release shall not exceed 75% of the total solidarity fund. If the
39 total claims arising out of a single disaster should exceed 75% of the total Solidarity
40 Fund, the pay-out shall be pro-rated amongst the claimants.

41
42 **SECTION 6. Insurance Premiums** - The Solidarity Fund may be used to pay
43 premiums for securing catastrophic insurance for public infrastructures of LGUs.

44
45 **SECTION 7. Use of Fund** - The Solidarity Fund shall be used exclusively for
46 disaster response and recoveries for LGUs and the payment of catastrophic insurance
47 premiums.

48
49 **SECTION 8. Separability Cause** - Should any section or provision of this Act
50 shall be held unconstitutional or invalid, such declaration shall not invalidate other
51 provisions thereof.

52
53 **SECTION 9. Repealing Clause** - All laws, decrees, executive orders,
54 proclamations, rules and regulations inconsistent herewith are hereby repealed and/or
55 modified accordingly.

56
57 **SECTION 10. Effectivity** - This Act shall take effect fifteen (15) days following
58 its publication in the Official Gazette in two (2) newspapers of general circulation.

Approved,