



SENATE

S. No. 1789

---

INTRODUCED BY SENATOR ANGARA

---

AN ACT TO ENHANCE THE USE OF NATIONAL WEALTH FOR LOCAL DEVELOPMENT BY AMENDING CERTAIN PROVISIONS IN BOOK II OF REPUBLIC ACT NO. 7160, OTHERWISE KNOWN AS THE "LOCAL GOVERNMENT CODE OF 1991"

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

1           SECTION 1. Section 294 of Republic Act No. 7160,  
2 otherwise known as the "Local Government Code of 1991",  
3 hereinafter referred to as the "Code", is hereby amended to  
4 read as follows:

5                   "SEC. 294. *Development and Livelihood*  
6           *Projects.* – The proceeds from the share of local  
7 government units pursuant to this chapter  
8 shall be appropriated by their respective

1           sanggunian to finance local government and  
2           livelihood projects IN THE APPROVED  
3           LOCAL DEVELOPMENT INVESTMENT  
4           PROGRAM AND ANNUAL INVESTMENT  
5           PROGRAM[:~~Provided, however, That at least~~  
6           ~~eighty percent (80%) of the proceeds derived~~  
7           ~~from the development and utilization of~~  
8           ~~hydrothermal, geothermal, and other sources of~~  
9           ~~energy shall be applied solely to lower the cost~~  
10          ~~of electricity in the local government unit~~  
11          ~~where such a source of energy is located.]:~~  
12          PROVIDED, HOWEVER, THAT THE  
13          PROCEEDS, OR A PORTION THEREOF  
14          DERIVED FROM THE DEVELOPMENT AND  
15          UTILIZATION OF HYDROTHERMAL,  
16          GEOTHERMAL, AND OTHER SOURCES  
17          OF ENERGY MAY BE APPLIED, AT THE  
18          OPTION OF THE LOCAL GOVERNMENT  
19          UNIT TO LOWER THE COST  
20          OF ELECTRICITY IN THE LOCAL

1           GOVERNMENT UNIT WHERE SUCH  
2           SOURCE OF ENERGY IS LOCATED.”

3           Sec. 2. *Use of Unutilized Shares.* – The concerned  
4 local government units are hereby authorized to use the  
5 proceeds previously derived from the development and  
6 utilization of hydrothermal, geothermal, and other sources  
7 of energy which remain unutilized in accordance with their  
8 approved local development investment program and  
9 annual investment program.

10          SEC. 3. *Repealing Clause.* – All general and special  
11 laws, acts, city charters, decrees, executive orders,  
12 proclamations and administrative regulations, or part or  
13 parts thereof which are inconsistent with any of the  
14 provisions of this Act are hereby repealed or modified  
15 accordingly.

16          SEC. 4. *Separability Clause.* – If, for any reason or  
17 reasons, any part of provision of this Act shall be held  
18 unconstitutional or invalid, other parts or provisions hereof  
19 which not affected thereby shall continue to be in full force  
20 and effect.

1           SEC. 5. *Effectivity Clause.* – This Act shall take effect  
2 fifteen (15) days after its publication in the *Official Gazette*  
3 or in a newspaper of general circulation.

Approved,