

SENATE
S. No. 2430

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Introduced by SENATOR FRANCIS "TOL" N. TOLENTINO

**AN ACT
AMENDING SECTION 490(B)(3) OF REPUBLIC ACT NO. 7160,
OTHERWISE KNOWN AS THE "LOCAL GOVERNMENT CODE OF
1991," AS AMENDED**

EXPLANATORY NOTE

The importance of digitalization in achieving economic and social resilience is recognized by the 1987 Constitution, which emphasizes the vital role of technology in nation-building. Implementing digitalized systems across various sectors of the economy becomes more relevant against the COVID-19 pandemic backdrop.

Digitalization is a tool that can accelerate economic growth and ensure transparency in public governance. As part of the cardinal state policies, the Constitution enjoins the State to maintain honesty and integrity in the public service and take positive and effective measures against graft and corruption.¹ Corollarily, the State is also directed to adopt and implement a policy of full public disclosure of all its transactions involving public interest.²

The transformation to digitalized technologies should be implemented vigorously in the local government level. Considering the broader responsibilities devolved to local government units (LGUs) due to the impending implementation of the Supreme Court decision in the case of *Mandanas v. Ochoa*³ in fiscal year 2022, it is necessary to ensure efficient delivery of basic services by the LGUs, including an accurate and transparent inventory and warehousing of procured goods.

Although LGUs are mandated under the current laws to establish an archival system for all government properties, goods, and documents for proper inventory and safekeeping, the process in place is not automated or electronic. The lack of automation then translates to inaccurate and inefficient tracking of procured goods by

¹ Section 27, Article II, 1987 Constitution.

² Section 28, Article II, 1987 Constitution.

³ G.R. No. 199802, 3 July 2018; 10 April 2019.

the LGUs as flagged annually by the Commission on Audit. Hence, measures that would expedite digitalization of government processes, including inventory and warehousing of procured goods, should be adopted by the LGUs.

In order to address this lack of digitalization in the local government level and promote a more efficient and transparent delivery of basic services, it is necessary to legislate measures that would encourage and empower the LGUs to prioritize utilization of technologies. This advocacy is consistent with the constitutional mandate for the State to promote adaptation of technology from all sources for the national benefit and encourage the widest participation of various sectors, including the LGUs, in the generation and utilization of science and technology.⁴

Finally, the pursuit of economic growth and transparency in public governance through digital advancements is internationally recognized. In fact, the United Nations acknowledges the role of technologies in building a fairer, more peaceful, and more just world. According to the United Nations, "[d]igital advances can support and accelerate achievement of each of the 17 Sustainable Development Goals – from ending extreme poverty to reducing maternal and infant mortality, promoting sustainable farming and decent work, and achieving universal literacy."⁵

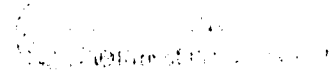
In light of the foregoing, the passage of this bill is earnestly sought.



FRANCIS "TOL" N. TOLENTINO

⁴ Section 12, Article XIV of the 1987 Constitution.

⁵ United Nations, "The Impact of Digital Technologies," at <https://www.un.org/en/un75/impact-digital-technologies>



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Introduced by Senator Francis "Tol" N. Tolentino

AN ACT
AMENDING SECTION 490(B)(3) OF REPUBLIC ACT NO.
7160, OTHERWISE KNOWN AS THE "LOCAL GOVERNMENT
CODE OF 1991," AS AMENDED

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

1 Section 1. Section 490(b)(3) of Republic Act No. 7160, otherwise known as the
2 "Local Government Code of 1991" (LGC), as amended, is hereby amended to read,
3 thus:

4 "Section 490. *Qualifications, Powers and Duties.*

5 X X X

6 (b) The general services officer shall take charge of the office on general
7 services and shall:

8 X X X

9 (3) In addition to the foregoing duties and functions, the general services
10 officer shall:

1 (i) Take custody of and be accountable for all properties, real or personal,
2 owned by the local government unit and those granted to it in the form of
3 donation, reparation, assistance and counterpart of joint projects;

4 (ii) With the approval of the governor or mayor, as the case may be, assign
5 building or land space to local officials or other public officials, who by law, are
6 entitled to such space;

7 (iii) Recommend to the governor or mayor, as the case may be, the
8 reasonable rental rates for local government properties, whether real or
9 personal, which will be leased to public or private entities by the local
10 government;

11 (iv) Recommend to the governor or mayor, as the case may be, reasonable
12 rental rates of private properties which may be leased for the official use of the
13 local government unit;

14 (v) Maintain and supervise janitorial, security, government public buildings
15 and other real property, whether owned or leased by the local government unit;

16 (vi) Collate and disseminate information regarding prices, shipping and
17 other costs of supplies and other items commonly used by the local government
18 unit;

19 (vii) Perform archival and record management with respect to records of
20 offices and departments of the local government unit; [and]

21 (viii) Perform all other functions pertaining to supply and property
22 management heretofore performed by the local government treasurer; and
23 enforce policies on records creation, maintenance, and disposal;

24 **(IX) WITH THE APPROVAL OF THE GOVERNOR OR MAYOR,**
25 **IMPLEMENT AN INVENTORY AND WAREHOUSING MANAGEMENT**
26 **SYSTEM, WHICH SHOULD BE DIGITALIZED, CLOUD-BASED, AND IN**
27 **ACCORDANCE WITH BEST PRACTICES, FOR PROCURED GOODS OF THE**
28 **LOCAL GOVERNMENT UNIT; AND**

