

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

SENATE

Senate Bill No. 616



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INTRODUCED BY SEN. JINGGOY EJERCITO ESTRADA

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EXPLANATORY NOTE

The barangay has been historically viewed as a mere political unit tasked to organize the political life of a community.

The barangay must now assume a more activist role in generating employment and income for its members, notably the unemployed.

This bill seeks to empower the barangay by conferring upon it the right to participate with the right of first refusal in all programs and projects, notably those concerning the delivery of basic services affecting its jurisdiction and members.

By giving the barangay such right, it would be able to generate employment for its members.

Immediate passage of this bill is earnestly sought.



JINGGOY EJERCITO ESTRADA  
Senator

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AN ACT  
AUTHORIZING BARANGAYS TO ENTER INTO OFFICIAL CONTRACTS WITH  
NATIONAL GOVERNMENT AGENCIES AND LOCAL GOVERNMENT UNITS  
TO UNDERTAKE THE DELIVERY OF BASIC SERVICES FOR THE PURPOSE  
OF PROVIDING EMPLOYMENT TO BARANGAY RESIDENTS AND FOR  
OTHER PURPOSES

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

**SECTION 1. Title** - This Act shall be known and cited as "***The Barangay  
Economic Empowerment Act of 2010.***"

**SEC. 2. Declaration of Policy** - It is the policy of the State to transform  
the barangay into a self-reliant economic unit generating employment for its  
members and actively participating in publicly funded programs intended for the  
barangay.

**SEC. 3. Coverage** - All basic services being contracted out by the national  
government and local government units with private or public contractors and  
which affect the barangays are covered by this Act: *Provided*, however, That the  
amount of the basic services to be contracted out to the barangay shall not be  
more than One Million Pesos (P1,000,000.00).

**SEC. 4. Right of First Refusal** - The provisions of the Local Government  
Code and other laws to the contrary notwithstanding, local government units and  
national government agencies shall give priority to the affected barangay in  
contracting out the delivery of basic services intended for or affecting said  
barangay. Such barangay shall have the right of first refusal before the project is  
bided out.

**SEC. 5. Basic Services** - For purposes of this Act, basic services  
programs in which the affected barangay shall have priority right to undertake  
shall include:

- a) Implementation of community-based forestry programs and  
similar projects; management and control of communal forest

with an area not exceeding fifty (50) square kilometers; establishment and maintenance of tree parks, green belts, and similar forest development project;

- b) Maintenance of community-based rehabilitation programs for vagrants, beggars, street children, scavengers, delinquents, and victims of violence and drug abuse; livelihood projects;
- c) Solid waste disposal system or services related to general hygiene and sanitation;
- d) Maintenance of public buildings, public parks, playgrounds and government sports facilities;
- e) Maintenance of roads, drainage systems, communal irrigation, small water impounding and other similar projects; seawalls, dikes, flood control; and street signage;
- f) Maintenance of public markets and slaughterhouses;
- g) Maintenance of public cemetery;
- h) Maintenance of tourism facilities and securing such facilities; and
- i) Other analogous undertakings.

**SEC. 6. Preference of Barangay Labor and Materials** - In the event that the barangay concerned is unable for any reason to participate in any project within its jurisdiction and/or affecting its residents, the local government unit or national government agency concerned shall exert every effort to source its labor and materials from within the affected barangay.

**SEC. 7. Mode of Payment** - A certification duly executed and signed by the chairman of the affected barangay and concurred in by the authorized signatory for the local government unit or national agency concerned shall form the basis of all claims for payment to the barangay.

**SEC. 8. Unlawful Act** - Any public official who bids and/or contracts out the delivery of basic services, as provided in Section 5 hereof, intended for or affecting a barangay without giving the affected barangay the opportunity to exercise its right of first refusal shall, upon conviction, be punished with imprisonment for not less than one (1) year and one (1) day to six (6) years and shall be immediately dismissed from the service. In addition, the public officer shall be liable to reimburse to the affected barangay an amount equal to what would have been realized by the barangay were it accorded its right under this Act.

**SEC. 9. Implementing Rules and Regulations** - The Department of Interior and Local Government shall, within ninety (90) days from the effectivity of this Act, promulgate the appropriate rules and regulations for its effective implementation.

**SEC. 10. Repealing Clause** - All laws, executive orders, administrative rules and regulations inconsistent with the provisions of this Act are hereby repealed or modified accordingly.

**SEC. 11. Effectivity Clause** - This Act shall take effect fifteen (15) days after the completion of its publication in at least two (2) newspapers of general publication.

*Approved,*