

H. No. 7808
S. No. 2247

Republic of the Philippines
Congress of the Philippines
Metro Manila
Eighteenth Congress
Third Regular Session

Begun and held in Metro Manila, on Monday, the twenty-sixth day of July, two thousand twenty-one.

[REPUBLIC ACT NO. 11711]

AN ACT FURTHER AMENDING REPUBLIC ACT NO. 4566,
AS AMENDED, OTHERWISE KNOWN AS THE
CONTRACTORS' LICENSE LAW

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

SECTION 1. Section 23 of Republic Act No. 4566, as amended, is hereby amended to read as follows:

“Section 23. *Issuance of Licenses.* Upon the payment of the corresponding fee and the filing of the application, and after examination and investigation as may be required, the Board shall issue a license to the applicant permitting him to engage

in business as a contractor under the terms of this Act for one (1) year from the date of issuance.”

SEC. 2. Section 35 of Republic Act No. 4566, as amended, is hereby deleted, and replaced with a new Section 35, to read as follows:

“Section 35. *Prohibited Acts.* The following are prohibited under this Act:

“(a) Any contractor who, for a price, commission, fee or wage, submits or attempts to submit a bid to construct, or contracts to or undertakes to construct, or assumes charge in a supervisory capacity of a construction work within the purview of this Act, without first securing a license to engage in the business of contracting in the Philippines shall be penalized with a fine of not less than One hundred thousand pesos (P100,000.00) but not more than Five hundred thousand pesos (P500,000.00) plus the equivalent of one-tenth of one percent (0.1%) of the project cost. Furthermore, the offending party shall be prohibited from obtaining a contractor’s license for a period of one (1) year from the time that party is found guilty under this provision.

“(b) The same fine under the preceding subsection shall be imposed upon two (2) or more licensees, each of whom has been issued a license to engage separately in the capacity of a contractor but shall jointly submit a bid or otherwise act in the capacity of a contractor without securing an additional license for acting in the capacity of such a joint venture or combination in accordance with the provisions of this Act. The licenses of the offending parties shall be automatically revoked and they shall

be prohibited from obtaining a contractor's license for a period of one (1) year from the time the licensees are found guilty under this provision.

“(c) It shall be unlawful for any person who is a managing partner, officer, or employee of a licensed partnership, corporation, firm, association or other organization to individually engage in the contracting business or individually act in the capacity of a contractor within this jurisdiction without having a license in good standing to so engage or act. Anyone found to be in violation of this provision shall be penalized with a fine of not less than One hundred thousand pesos (P100,000.00) but not more than Five hundred thousand pesos (P500,000.00) plus the equivalent of one-tenth of one percent (0.1%) of the project cost. Furthermore, the offending party shall be prohibited from obtaining a contractor's license for a period of one (1) year from the time that party is found guilty under this provision.

“(d) Any person who shall present or file the license certificate of another, give false evidence of any kind to the Board, or to any member thereof, in obtaining a certificate or license, impersonate another, or use an expired or revoked certificate or license shall be penalized with a fine of not less than Five hundred thousand pesos (P500,000.00) but not more than One million pesos (P1,000,000.00) and the penalty of imprisonment of not less than one (1) year but not more than six (6) years. The penalties provided in this section are without prejudice to any liability for the violation of any of the provisions of The Revised Penal Code, as amended, or other special laws.”

SEC. 3. Sections 37 and 38 of Republic Act No. 4566, as amended, are hereby deleted.

SEC. 4. Section 39 of Republic Act No. 4566, as amended, is hereby amended to read as follows:

“Section 37. *Fee.* The amount of fees prescribed by this Act shall be as follows:

“(a) Five thousand pesos (P5,000.00) for an original license;

“(b) Six thousand pesos (P6,000.00) for examination of an applicant;

“(c) Five thousand pesos (P5,000.00) for renewal.

“The Board is authorized to collect, retain and utilize or apply all fees, fines, and other charges collected by it under this Act to augment its accreditation and licensing operations, the provisions of any law to the contrary notwithstanding. The Board, in consultation with its stakeholders, is authorized to adjust the fees not more than once every three (3) years, but in no case shall the fees be adjusted or increased by more than fifteen percent (15%).”

SEC. 5. Section 40 of Republic Act No. 4566, as amended, is hereby amended to read as follows:

“Section 38. *Renewal.* A license issued pursuant to the provisions of this Act shall be valid for one (1) year from the date of its issuance. The renewal fee shall be Five thousand pesos (P5,000.00), pursuant to Section 37 of this Act.

“In case the contractor has been in operation in good standing for twenty-five (25) years or more, it may renew its license every three (3) years. If it has been in operation in good standing for ten (10) years

but not more than twenty-five (25) years, it may renew its license every two (2) years. If it has been in operation in good standing for less than ten (10) years, it shall renew its license every year.

“Applications and all other requirements for license renewal may be filed with the Board or its designated agencies, either in person or online, not earlier than ninety (90) days but not later than thirty (30) days before the expiration of the license.”

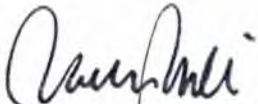
SEC. 6. Section 41 of Republic Act No. 4566, as amended, and the subsequent sections of the same law, are hereby renumbered accordingly.

SEC. 7. *Separability Clause.* – Should any provision or part of this Act be declared unconstitutional or invalid, the other provisions and parts hereof not affected, and insofar as they are separable from the invalid ones, shall remain in full force and effect.

SEC. 8. *Repealing Clause.* – All laws, decrees, executive orders, proclamations, rules and regulations, and issuances or parts thereof which are inconsistent with the provisions of this Act are hereby repealed, amended, or modified accordingly.

SEC. 9. *Effectivity.* – This Act shall take effect fifteen (15) days after its publication in the *Official Gazette* or in at least two (2) newspapers of general circulation in the Philippines.

Approved,



VICENTE C. SOTTO III
President of the Senate

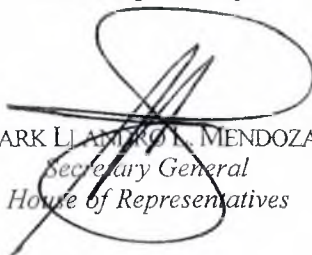


LORD ALLAN JAY Q. VELASCO
*Speaker of the House
of Representatives*

This Act which is a consolidation of House Bill No. 7808 and Senate Bill No. 2247 was passed by the House of Representatives and the Senate of the Philippines on January 31, 2022 and January 27, 2022, respectively.

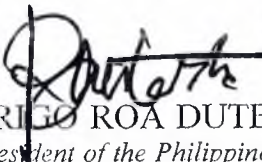


MYRA MARIE D. VILLARICA
Secretary of the Senate



MARK LLANROY L. MENDOZA
*Secretary General
House of Representatives*

Approved: APR 27 2022



RODRIGO ROA DUTERTE
President of the Philippines

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