

Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City

THIRTEENTH CONGRESS
First Regular Session

HOUSE BILL NO. 1062

Introduced by Hon. LORNA C. SILVERIO



EXPLANATORY NOTE

This Bills seeks to amend Republic Act No. 6234, otherwise known as "AN ACT CREATING THE METROPOLITAN WATERWORKS AND SEWERAGE SYSTEM AND DISSOLVING THE NATIONAL WATERWORKS AND SEWERAGE AUTHORITY; AND FOR OTHER PURPOSES.

Republic Act No. 6234 was enacted on June 19, 1971. The Local Government Code took effect in January, 1992 and one of the provisions of the said Code provides that local government units shall have an equitable share in the proceeds derived from the utilization and development of the national wealth within their respective areas, including sharing the same with the inhabitants by way of direct benefits. This provision has no meaning as far as the Province of Bulacan is concerned unless this proposed amendment will be effected by granting the Province a share of one (1%) percent of the gross income of the MWSS and providing the Province with a representative in this governing body of the MWSS.

Hence, this amendment.

Lorna C. Silverio
LORNA C. SILVERIO

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**AN ACT AMENDING REPUBLIC ACT NO. 6234
OTHERWISE KNOWN AS "AN ACT CREATING THE
METROPOLITAN WATERWORKS AND SEWERAGE SYSTEM
AND DISSOLVING THE NATIONAL WATERWORKS AND
SEWERAGE AUTHORITY; AND FOR OTHER PURPOSES"**

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

SECTION 1. Section 4 of Republic Act No. 6234 is hereby amended to read as follows:

"SEC. 4. The Board of Trustees, composition, qualification; appointment; tenure. – The corporate powers and functions of the System shall be vested in and exercised by a Board of Trustees composed of a Chairman, the General Manager as ex-officio Vice Chairman, FOUR members, one of whom shall be nominated by the Labor Union representing the majority of the rank and file of the employees in the system AND ONE SHALL BE NOMINATED BY THE SANGGUNIANG PANLALAWIGAN OF BULACAN DULY APPROVED BY THE GOVERNOR OF THE PROVINCExxx

SECTION 2. Section 13. *Disposition of Income.* – The income of the System shall be disposed of according to the following priorities:

First, to pay its contractual and statutory obligations and to meet its essential current operating expenses;

Second, to reserve at least fifty (50%) percent of the balance exclusively for the expansion, development and improvement of the System;

Third, to allocate the residue enhancing the efficient operation and maintenance of the System which include increases of administrative expenses or increases or adjustment of salaries and other benefits of the employees; and

FOURTH, TO ALLOCATE ONE (1%) PERCENT OF THE GROSS INCOME OF THE SYSTEM FOR THE PROVINCE OF BULACAN.

SECTION 3. *Effectivity.* – This Act shall take effect upon its approval.

Approved.