

Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City, Philippines

Thirteenth Congress
First Regular Session

HOUSE BILL NO. 1122

Introduced by Honorable Eduardo V. Roquero, M.D.

EXPALANTORY NOTE

As we move towards economic development to uplift the standards of living for every individual and a family as a whole, one among of the most compelling concern that we must address is to provide, promote, induce and accelerate a sound and balance industrial, economic and social development of our society.

In effect, job and income opportunities must be available to accelerate the value of time, effort and productivity of every individual to contribute and participate in the most competitive and fast changing world of development to improve the level and quality of living condition among Filipino people.

To achieve our concerns and implement the declared policy of the State towards this end, the establishment of special economic zones in suitable and strategic locations in the country and through measures that will attract productive legitimate and foreign investors is hereby induced.

To this effect however, it is a fact that the fast growing population of Metro Manila requires the movement to pursue its development in both the Northern and Southern part of Metro Manila, whereby most Filipino families had been relocated specially in the City of San

Jose Del Monte Bulacan, while their respective income earners are constrained to wake-up early in the morning to cope up the travel time from the different Barangays of the City of San Jose Del Monte, Bulacan to their jobs and working destinations and come home late at night from their respective job and working areas to the City of San Jose Del Monte, Bulacan.

The working condition therefore, is a fact that the head of every family or a family income earner losses the opportunity of family bonding, constrained to sacrifice the waste of time, money and effort for their travel time, transportation fares and traffic congestion just to provide the financial requirements of their love ones and their family as a whole.

Due to a dire need and extreme necessity to improve the quality of life, create job and employment opportunity among others to the City of San Jose Del Monte, Bulacan with much enthusiasms and pressures to our constituents, a strong and incessant representation to this effect is of urgent concern to maximize public participation, job and employment opportunity and productivity to contribute to the fast growing development to step ahead and compete in the world of a highly competitive developing countries.

This bill therefore, proposes to implement the policy of the State to actively encourage, promote, induce and accelerate a sound and balance industrial, economic and social development of the society and thereby maximize opportunity, job and employment, income and accessibility among others and uplift the standard of living among Filipino citizen.

In view of the foregoing, the approval of this bill establishing the San Jose Del Monte Special Economic Zone, creating for this purposes the City of San Jose Del Monte Special Economical Zone Authority, appropriating funds therefore and for other purposes is hereby urged.

EDUARDO V. ROAUERO, M.D.

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AN ACT
ESTABLISHING THE CITY OF SAN JOSE DEL MONTE SPECIAL ECONOMIC ZONE (CSJDM–SEZONE), CREATING FOR THIS PURPOSE THE CITY OF SAN JOSE DEL MONTE SPECIAL ECONOMIC ZONE AUTHORITY (CSJDM–SEZA), APPROPRIATING FUNDS THEREFOR AND FOR OTHER PURPOSES

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

SECTION 1. ***Short Title.*** – This Act shall be known as the "City of San Jose Del Monte Special Economic Zone Act Of 2004"

SECTION 2. ***Declaration of Policy.*** – It is hereby declared the policy of the State to actively encourage, promote, induce and accelerate a sound and balance industrial, economic and social development of the country in order to provide jobs to the people specially those in the rural areas, income productivity in both individual and family income, and thereby improve the level and quality of living condition through the establishment among others, of special economic zones in suitable and strategic locations in the country and through measures that will attract legitimate and productive foreign investments.

SECTION 3. ***Creation of the City of San Jose Del Monte Special Economic Zone.*** – In pursuit of the foregoing declared policy and subject to the concurrence of the Barangays affected by the zone, the City of San Jose Del Monte is hereby declared as a

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Special Economic Zone to be known as the City of San Jose Del Monte Special Economic Zone.

SECTION 4. ***Governing Principles.*** – The City of San Jose Del Monte Special Economic Zone shall be managed and operated by the City of San Jose Del Monte Special Economic Zone Authority, herein referred to as CSJDM–SEZA to be created under Section 6 of this Act, under the following principles:

a) The City of San Jose Del Monte Special Economic Zone (CSJDM–SEZONE) shall be developed into and operated a decentralized, self-reliant and self-sustaining industrial, commercial/trading, agro-industrial, tourist, banking, financial and investment center with suitable residential areas.

b) The City of San Jose Del Monte Special Economic Zone (CSJDM–SEZONE) shall be provided with transportation, telecommunications and other facilities needed to attract legitimate and productive investments, generate linkage industries and employment opportunities for the people of the City of San Jose Del Monte and its neighboring cities and municipalities.

c) The City of San Jose Del Monte Special Economic Zone (CSJDM–SEZONE) shall establish mutually beneficial economic relations with other entities or enterprises within the country, subject to the administrative guidance of the Department of Foreign Affairs (DFA), the Philippine Economic Zone Authority (PEZA) and/or the Department of Trade and Industry (DTI), with foreign entities or enterprises.

d) Foreign citizens and companies owned by non-Filipinos in whatever proportion, may set up enterprises in the City of San Jose Del Monte Special Economic Zone (CSJDM–SEZONE), either by themselves or in joint venture with Filipinos in any sector of industry, international trade and commerce within the City of San Jose Del Monte Special Economic Zone (CSJDM–SEZONE).

e) The City of San Jose Del Monte Special Economic Zone (CSJDM–SEZONE) shall be operated and managed as a separate customs territory ensuring free flow or movement of goods and capital within, into and exported out of the City of San Jose Del Monte Special Economic Zone (CSJDM–SEZONE) premises, as well as provide incentives such as tax and duty-free importations of raw materials and capital equipment. *Provided, however*, That exportation or removal of goods from the territory of the City of San Jose Del Monte Special Economic Zone (CSJD–SEZONE) to other parts of Philippine territory shall be subject to customs duties and taxes under the Tariff and Customs Code of the Philippines, as amended and the National Internal Revenue Code of 1997, as amended.

f) The areas comprising the City of San Jose Del Monte Special Economic Zone (CSJDM–SEZONE) may be expanded or reduced when necessary. For this purpose, the City of San Jose Del Monte Special Economic Zone Authority (CSJDM–SEZA), in consultation with the local government units, shall have the power to acquire either by purchase, negotiation or condemnation proceedings, any private lands within or adjacent to the City of San Jose Del Monte Special Economic Zone (CSJDM–SEZONE) for the following purposes: (1) consolidation of lands for zone development; (2) acquisition of right of way to the City of San Jose Del Monte Special Economic Zone (CSJDM–SEZONE); and (3) the protection of watershed areas and natural assets valuable to the prosperity of the City of San Jose Del Monte Special Economic Zone (CSJDM–SEZONE).

g) Goods manufactured by the City of San Jose Del Monte Special Economic Zone (CSJDM–SEZONE) enterprise shall be made available for immediate retail or wholesale in the domestic market, subject to the payment of corresponding taxes on raw materials and other regulations that may be formulated by the City of San Jose Del Monte Special Economic Zone Authority (CSJDM–SEZA), together with the PEZA, the Bureau of Customs (BOC), and the Department of Trade and Industry (DTI). However, in order to protect the domestic industry, there shall be a negative list of industries that will be drawn up and regularly

updated by PEZA. Enterprises engaged in industries included in such negative list shall not be allowed to sell their products locally.

h) The defense of the City of San Jose Del Monte Special Economic Zone (CSJDM–SEZONE) and the security of its perimeter fence shall be the responsibility of the national government in coordination with the City of San Jose Del Monte Special Economic Zone Authority (CSJDM–SEZA) and the local government units.

SECTION 5. ***Incentives.*** – Investors and business enterprises within the City of San Jose Del Monte Special Economic Zone (CSJDM–SEZONE), shall be entitled to the following incentives:

a) ***Resident Status and Visa.*** Any foreign investor who establishes a business enterprise within the City of San Jose Del Monte Special Economic Zone (CSJDM–SEZONE) and who maintains capital investment of not less than One Hundred Fifty Thousand United States dollars (US $150,000,00) shall be granted, along with his or her spouse, dependents, and unmarried children below twenty-one (21) years of age, permanent resident status within the City of San Jose Del Monte Special Economic Zone (CSJDM–SEZONE) and freedom of ingress and egress to and from the City of San Jose Del Monte Special Economic Zone (CSJDM–SEZONE) without any need of special authorization from the Bureau of Immigration and Deportation (BID). Working visas renewable every two (2) years shall be issued to foreign executives and foreign technicians with highly specialized skills, which no Filipino possesses, as certified by the Department of Labor and Employment.

The foregoing is without prejudice to a foreigner acquiring permanent resident status in the Philippines in accordance with applicable immigration, retirement and other related laws.

b) ***Fiscal Incentives.*** Business establishments operating within the City of San Jose Del Monte Special Economic Zone (CSJDM–SEZONE), shall be entitled to the existing fiscal incentives as provided for under Republic

Act No. 7916, otherwise known as the "Special Economic Zone Act of 1995", as amended by Republic Act No. 8748.

c) ***Taxation.*** Except for real property taxes on land owned by developers, no taxes, local and national, shall be imposed on business establishments operating within the City of San Jose Del Monte Special Economic Zone (CSJDM–SEZONE). In lieu thereof, five (5%) percent of the gross earned, by the business enterprises within the City of San Jose Del Monte Special Economic Zone (CSJDM–SEZONE) shall be paid and remitted as follows:

(a) Three (3%) percent to the National Government; and

(b) Two (2%) percent shall be directly remitted by the business establishments to the Treasurer's of the City of San Jose Del Monte, Bulacan.

All persons and service establishments in the City of San Jose Del Monte Special Economic Zone (CSJDM–SEZONE) shall be subject to national and local taxes under the National Internal Revenue Code, as amended by Republic Act No. 8424, and the Local Government Code.

d) ***Banking Rules and Regulations.*** Existing banking laws, rules and regulations of the *Bangko Sentral ng Pilipinas (BSP)* shall apply to banks and financial institutions to be established in the City of San Jose Del Monte Special Economic Zone (CSJDM–SEZONE). Among other pertinent regulations, these will include those governing foreign exchange and other current account transactions (trade and non-trade), local and foreign borrowings, foreign investments, establishment and operation of local and foreign banks, foreign currency deposit units, offshore banking units and other financial institutions under the supervision of the Bangko Sentral ng Pilipinas.

e) ***Profit Remittance.*** Without prior Bangko Sentral ng Pilipinas (BSP) approval, after tax profits and other earnings of foreign investments in enterprises, in the City of San Jose Del Monte Special Economic Zone

(CSJDM–SEZONE) may be remitted outward in the equivalent foreign exchange through any of the banks licensed by the Bangko Sentral ng Pilipinas (BSP) in the City of San Jose Del Monte Special Economic Zone (CSJDM–SEZONE). *Provided, however,* That such foreign investments in said enterprises have been previously registered with the Bangko Sentral ng Pilipinas (BSP).

SECTION 6. ***Creation of the City of San Jose Del Monte Special Economic Zone Authority.*** – There is hereby created a corporate body to be known as the City of San Jose Del Monte Special Economic Zone Authority, herein referred to as CSJDM–SEZA, which shall manage and operate the City of San Jose Del Monte Special Economic Zone (CSJDM–SEZONE), in accordance with the provisions of this Act. This corporate franchise shall expire in Fifty (50) years counted from the first year of the effectivity of this Act, unless otherwise extended by Congress. It shall be organized within Sixty (60) days after the effectivity of this Act.

SECTION 7. ***Principal Office*** – The City of San Jose Del Monte Special Economic Zone Authority (CSJDM–SEZA), shall maintain its principal office in the City of San Jose Del Monte, but it may establish branches within the Philippines and abroad as may be necessary for the proper conduct of its business and operation.

SECTION 8. ***Powers and Functions of the City of San Jose Del Monte Special Economic Zone Authority.*** – The City of San Jose Del Monte Special Economic Zone Authority (CSJDM–SEZA), shall have the following functions:

a) To operate, administer, manage and develop the City of San Jose Del Monte Special Economic Zone (CSJDM–SEZONE) according to the principles and provisions set forth in this Act;

b) To register, regulate and supervise the enterprises in the City of San Jose Del Monte Special Economic Zone (CSJDM–SEZONE) in an efficient and decentralized manner, subject to existing laws;

c) To coordinate with the local government units and exercise general supervision over the development plans, activities and operations of the

City of San Jose Del Monte Special Economic Zone Authority (CSJDM–SEZA);

d) To regulate and undertake the establishment, operation and maintenance of utilities, other services, and infrastructure in the City of San Jose Del Monte Special Economic Zone (CSJDM–SEZONE), such as but not limited to heat, light and power, water supply, telecommunications, transport, toll roads and bridges, port services, and other services and related matters for the operations of the City of San Jose del Monte Special Economic Zone (CSJDM–SEZONE) and to fix just, reasonable and competitive rates, fares, charges and prices thereof;

e) To construct, acquire, own, lease, operate and maintain on its own or through contracts, franchise, licenses, bulk purchase from the private sector or permits under any of the schemes allowed in Republic Act No. 6957 (the Build-Operate-Transfer Law, as amended by Republic Act No. 7718), or joint venture, adequate facilities and infrastructure required or needed for the operation and development of the City of San Jose Del Monte Special Economic Zone (CSJDM–SEZONE), in coordination with the appropriate national and local government authorities and in conformity with applicable laws thereon;

f) To operate on its own, either directly or through a license, other tourism related activities, including games, amusements, recreational and sports facilities;

g) Subject to the approval of the President of the Republic of the Philippines and the Monetary Board of the Bangko Sentral ng Pilipinas upon the recommendation of the Department of Finance, to raise or borrow adequate and necessary funds from local or foreign sources to financed its projects and programs under this Act, and for that purpose to issue bonds, promissory notes, and other forms of securities, and to secure the same by a guarantee, pledge, mortgage, deed of trust, or an assignment of all or part of its property or assets;

h) To provide security for the City of San Jose Del Monte Special Economic Zone (CSJDM–SEZONE) in coordination with the national and local governments. Military forces sent by the national government for the purpose of defense shall not interfere in the internal affairs of the City of San Jose Del Monte Special Economic Zone (CSJDM–SEZONE) and expenditures for the military forces shall be borne by the national government. For this purpose, the City of San Jose Del Monte Special Economic Zone Authority (CSJDM–SEZA) may establish and maintain its security forces and firefighting capability or hire others to provide the same;

i) To protect, preserve, maintain and develop the forest land and maintain ecological balance within the City of San Jose Del Monte Special Economic Zone (CSJDM–SEZONE);

j) To create, operate and/or contract to operate such functional units or offices of the City of San Jose Del Monte Special Economic Zone Authority (CSJDM–SEZA) as it may deem necessary;

k) To adopt, alter and use a corporate seal, make contracts, leases, own, or otherwise dispose of personal or real property, sue and be sued, and otherwise carry out its functions and duties as provided for in this Act;

l) To issue certificates of origin for products manufactured or process in the City of San Jose Del Monte Special Economic Zone (CSJDM–SEZONE) in accordance with prevailing rules of origin, and the pertinent regulations of the Philippine Economic Zone Authority (PEZA), Department of Trade and Industry (DTI), and/or the Department of Finance (DOF);

m) To issue working visas renewable every two (2) years to foreign executives and foreign technicians with highly specialized skills which no Filipino possesses, as certified by the Department of Labor and Employment (DOLE);

n) To report to the Bureau of Immigration the names of the foreigners who have been granted permanent resident status and working visas with in thirty (30) days after issuance of such grant;

o) To exercise such powers as may be essential, necessary or incidental to the powers granted to it hereunder as well as those that shall enable it to carry out, implement and accomplish the purposes, objectives and policies of this Act; and

p) To issue rules and regulations consistent with the provisions of this Act as maybe necessary to accomplish and implement the purposes, objectives and policies provided herein.

SECTION 9. ***Exemption from Taxes, Duties and Other Fees.*** – The City of San Jose Del Monte Special Economic Zone Authority (CSJDM–SEZA) is hereby declared exempt from the payment of all taxes, duties, fees, imposts, charges, cost and service fees in any court or administrative proceedings in which it may be a party with reference to Section 5, paragraph c, of this Act.

The foregoing exemptions may, however, be entirely or partially lifted by the President of the Republic of the Philippines upon the recommendation of the Secretary of Finance, not earlier than Five (5) years from the effectivity of this Act, if the President of the Republic of the Philippines shall find the City of San Jose Del Monte Special Economic Zone Authority (CSJDM–SEZA) to be self-sustaining and financially capable by then to pay such taxes, customs duties, fees and other charges after providing for debt service requirements of the City of San Jose Del Monte Special Economic Zone Authority (CSJDM–SEZA) and of its projected capital and operating expenditures.

SECTION 10. ***Board of Trustees of the City of San Jose Del Monte Special Economic Zone Authority.*** – The powers of the City of San Jose Del Monte Special Economic Zone Authority (CSJDM–SEZA) shall be vested in and exercised by the Board of Trustees, hereinafter referred to as the Board, which shall be composed of the following:

a) The Chairman who shall, at the same time be the Administrator of the City of San Jose Del Monte Special Economic Zone Authority (CSJDM–SEZFPA);

b) The Vice Chairman who shall come from among the members of the Board;

c) The Members of the Board of Trustees shall be consist of:

(1) The Congressional Representative of the Lone District of the City of San Jose Del Monte, Bulacan;

(2) One (1) representative from the Provincial Government of the Province of Bulacan;

(3) One (1) representative from the domestic investors;

(4) One (1) representative from the foreign investors; and

(5) Two (2) representatives from the labor sector working in the City of San Jose Del Monte Special Economic Zone Authority (CSJDM–SEZFPA).

The Congressional representative and the representative of the Provincial Government of Bulacan shall serve as *ex officio* members of the Board, whose term in the Board corresponds to their term as elected officials.

The Chairman and the members of the Board, except the *ex officio* members, shall be appointed by the President of the Republic of the Philippines to serve for six (6) years term, unless removed for cause, death or upon voluntary resignation. In case of death, resignation or removal for cause, the replacement shall serve only for the unused portion of the term.

Except for the representatives of the business and labor sectors, no person shall be appointed by the President of the Republic of the Philippines as member of the Board

of Trustees unless he is a Filipino citizen, of good moral character, of proven probity and integrity, and a degree-holder in any of the following: economics; business; public administration; law; management or any of the equivalent field of endeavor, and/or with at least ten (10) years relevant working experience preferably in the field of management and/or public administration.

The members of the Board of Trustees shall each receive *per diem* at rates to be determined by the Department of Budget and Management (DBM) in accordance with existing rules and regulations. *Provided, however,* That the total *per diem* collected each month shall not exceed the equivalent *per diem* for four (4) meetings. Unless and until the President of the Republic of the Philippines has fixed a higher *per diem* for the members of the Board of Trustees, such *per diem* shall not exceed Ten Thousand (Php10,000.00) Pesos for every Board of Trustee meeting actually attended.

SECTION 11. ***Powers and Duties of the Chairman – Administrator.*** – The Chairman–Administrator shall have the following powers, functions, duties and responsibilities:

a) To direct and manage the affairs of the City of San Jose Del Monte Special Economic Zone Authority (CSJDM–SEZA) in accordance with the policies, guidelines, procedures and other related matters being formulated by the Board of Trustee;

b) To establish the internal organization of the City of San Jose Del Monte Special Economic Zone Authority (CSJDM–SEZFPA) under such conditions that the Board of Trustee may prescribe;

c) To prepare and submit the propose annual and supplemental budget to the Board of Trustee for approval;

d) To submit within thirty (30) days after the close of each fiscal year an annual report to the Board of Trustees and such other reports as may be required by the Board of Trustee or Government agencies and/or entities concern;

e) To submit to the Board of Trustees for its approval the propose policies, guidelines, systems, procedures, rules and regulations and other related matters that are essential and necessary for the operation of the City of San Jose Del Monte Special Economic Zone Authority (CSJDM–SEZA);

f) To create a mechanism and/or system in coordination with agencies concern for the promotion of industrial peace, the protection of environment, and the advancement of the quality of life in the City of San Jose Del Monte Special Economic Zone (CSJDM–SEZONE); and

g) To perform such other functions, duties and responsibilities that may be assigned to him by the Board of Trustees which are necessary or incidental to his office.

SECTION 12. ***Personnel.*** – The Board of Trustees of the City of San Jose Del Monte Special Economic Zone Authority (CSJDM–SEZA) shall provide for an organization and staff of its officers and employees. Upon the recommendation of the Chairman–Administrator with the approval of the Secretary of the Department of Trade and Industry (DTI), the Board of Trustee shall appoint and fix the remuneration and other emoluments of its officers and employees in accordance with existing laws on compensation and position classification. *Provided,* That the Board of Trustees shall have exclusive and final authority to promote, transfer, assign or reassign officers of the City of San Jose Del Monte Special Economic Zone Authority (CSJDM–SEZA), without prejudice to any existing law to the contrary notwithstanding: *Provided, further,* That the Chairman–Administrator is vested with the authority to carry out removal and/or termination of such officers and employees for cause, specially involving in any administrative case and/or violation of the guidelines, rules and regulations, provisions and/or any other related matters formulated and set forth by the Board of Trustees.

The officers and employees of the City of San Jose Del Monte Special Economic Zone Authority (CSJDM–SEZA), including all members of the Board of Trustees, shall not engage directly or indirectly in any partisan activities nor take part of any election process, except on his right to vote.

No officer or employee of the City of San Jose Del Monte Special Economic Zone Authority (CSJDM–SEZA), subject to the Civil Service laws and regulations shall be removed or suspended except for cause as provided by law.

SECTION 13. ***Applicability Clause.*** – The provisions of Sections 30–42 of Republic Act 7916, as amended, on leases of lands and buildings, land conversion, shipping and shipping register, protection of environment, termination of business, registration of business enterprises, one stop shop center, and on industry harmony in the Economic Zones (ECOZONES), shall apply to the City of San Jose Del Monte Special Economic Zone (CSJDM–SEZONE).

SECTION 14. ***Capitalization.*** – The City of San Jose Del Monte Special Economic Zone Authority (CSJDM–SEZA) shall have an authorized capital stock of Two Billion (Php 2,000,000,000.00) Pesos, with a par value at a minimum issue of Ten (Php10.00) Pesos per share. The majority shares of which shall be subscribed and paid for by the National Government (NG) and the Local Government Units (LGU) embracing the City of San Jose Del Monte Special Economic Zone (CSJDM–SEZONE). The Board of Trustees of the City of San Jose Del Monte Special Economic Zone Authority (CSJDM–SEZA) with the written concurrence of the Secretary of Finance, may sell shares, representing of not more than Forty (40%) per centum of the capital stock of the City of San Jose Del Monte Special Economic Zone Authority (CSJDM–SEZA) to the general public under such policy as the Board of Trustees and the Secretary of Finance may determine. The National Government (NG) and the Local Government Units (LGUs) shall in no case own less than Sixty (60%) per centum of the total issued and outstanding capital of the City of San Jose Del Monte Special Economic Zone Authority (CSJDM–SEZA).

The amount necessary to subscribe and pay for the shares of the National Government (NG) to the Capital Stock of the City of San Jose Del Monte Special Economic Zone Authority (CSJDM–SEZA) shall be included in the General Appropriations Act. For the Local Government Units (LGUs), the funds shall be taken from their Internal Revenue Allotment and other local funds.

SECTION 15. ***Supervision and Coordination of Development Plans.*** – For purposes of policy direction and coordination, the City of San Jose Del Monte Special

Economic Zone Authority (CSJDM–SEZA) shall be under the direct control and supervision of the Office of the President of the Republic of the Philippines.

SECTION 16. ***Relationship with the Regional Development Council.*** – The City of San Jose Del Monte Special Economic Zone Authority (CSJDM–SEZA) shall determine the development goals and objective for the City of San Jose Del Monte Special Economic Zone (CSJDM–SEZONE) within the framework of the national development plans, goals, policies, and objectives. The Chairman–Administrator shall, upon approval of the Board of Trustees, submit the City of San Jose Del Monte Special Economic Zone Authority (CSJDM–SEZA) plans, programs and projects to the Regional Development Council for inclusion and inputs to the overall Regional Development Plan.

SECTION 17. ***Relationship with Local Government Units.*** – Except as herein provided, the Local Government Units comprising the City of San Jose Del Monte Special Economic Zone (CSJDM–SEZONE) shall retain the basic autonomy and identity. The City of San Jose Del Monte shall operate and function in accordance with the Local Government Code of 1991. In case of any conflict between the City of San Jose Del Monte Special Economic Zone Authority (CSJDM–SEZA) and the Province of Bulacan inclusive of the Local Government of the City of San Jose Del Monte on matters affecting the Province of Bulacan ECOZONE other than defense and security matters, the decision of the City of San Jose Del Monte Special Economic Zone Authority (CSJDM–SEZFPA) shall prevail.

SECTION 18. ***Interpretation Construction.*** **–** The powers authorities and functions that are vested in the City of San Jose Del Monte special Economic Zone Authority (CSJDM–SEZA) are intended to establish decentralization of Government functions and authority purposely to promote an efficient and effective working relationship between the City of San Jose Del Monte Special Economic Zone Authority (CSJDM–SEZA), the National Government (NG) and the Local government Units (LGUs).

SECTION 19. ***Auditing.*** **–** The Commission on Audit shall appoint a representative whom shall be a full time auditor of the City of San Jose Del Monte Special Economic Zone Authority (CSJDM–SEZA) and assign such number of personnel as may be necessary to assist the appointed representative in the performance of

his/her duties. The salaries and emoluments of the appointed auditor and assigned personnel shall be in accordance with the pertinent laws, guidelines, rules and regulations.

SECTION 20. *Separability Clause.* – If, for any reason, any section of this Act shall be deemed unconstitutional or invalid, the other sections or provisions of this Act shall not be affected thereby and shall remain in force and effect.

SECTION 21. *Repealing Clause.* – All laws, executive orders, decrees, instructions, rules and regulations, contrary to or inconsistent with any provision of this Act, are hereby repealed or modified accordingly.

SECTION 22. *Effectivity Clause.* – This Act shall take effect fifteen (15) days after its publication in two (2) newspapers of general circulation.

Approved.