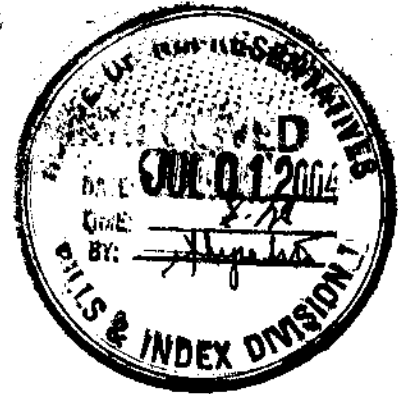


Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City, Metro Manila

THIRTEENTH CONGRESS
First Regular Session

House Bill NO. 18



Introduced by HON. EDGAR M. CHATTO
1ST DISTRICT, BOHOL

EXPLANATORY NOTE

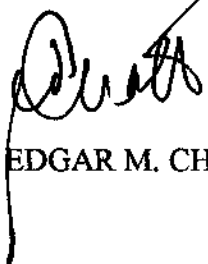
The Local Government Academy is tasked to train and improve the managerial skills and technical capability of local government officials and personnel to make local government units more responsive to the demands of decentralization. To advance this objective, the LGA must be clothed with ample and standardized powers, functions and privileges. It must take a proactive response to the development needs of local governments and human resource development programs of the Department of the Interior and Local Government (DILG).

Presently, however, the LGA is attached to the DILG with limited powers, functions and privileges, as provided for under Executive Order NO. 262, otherwise known as *The Reorganization Act of the Department of Local Government and for other Purposes*, and as reiterated under Republic Act NO. 6975, otherwise known as *The Department of the Interior and Local Government Act of 1990*. As such, it cannot effectively function in accordance with its mandate.

This bill strengthens the LGA and transforms it to a more autonomous corporate body, to with the end in view of making its programs and related activities more responsive to the needs of its clients.

Filed during the 12th Congress, this proposed measure was approved unanimously by the Committee on Local Government. But due to time constraints, the other committees to which it was jointly referred did not have the opportunity to study its significance.

Support for its expeditious enactment is again earnestly sought during this Congress.


REP. EDGAR M. CHATTO

Republic of the Philippines
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THIRTEENTH CONGRESS
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House Bill No. _____

Introduced by HON. EDGAR M. CHATTO
1ST DISTRICT, BOHOL

AN ACT CREATING THE CHARTER OF THE LOCAL GOVERNMENT ACADEMY (LGA), AMENDING FOR THE PURPOSE REPUBLIC ACT NO. 6975, OTHERWISE KNOWN AS *THE DEPARTMENT OF THE INTERIOR AND LOCAL GOVERNMENT ACT OF 1990* AND APPROPRIATING FUNDS THEREFOR

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

SECTION 1. *Title.* – This Act shall be known as the “Local Government Academy (LGA) Act of 2004.”

SECTION 2. *Declaration of Policy.* – It is hereby declared the policy of the State to develop and enhance the institutional capabilities of local government units (LGUs), including the administrative and technical capabilities of local government officials and employees, the Department of the Interior and Local Government (DILG) personnel and other government and non-government personnel concerned with local government by enhancing the powers, duties and functions of the Local Government Academy.

SECTION 3. *Name.* – This entity shall be called the Local Government Academy, hereinafter referred to as the Academy or LGA.

SECTION 4. *Powers.* – The Academy shall have the following powers:

- (a.) Adopt and alter a corporate seal;
- (b.) Take and hold by bequest, devise, gift, purchase or lease, either absolutely or in trust for any of its purpose, any property, real or personal, without limitation as to amount or values; to convey such property and to invest and reinvest any principal in such manner as will promote its objectives;
- (c.) Promote its aims, enhance its operations or rehabilitate any of its physical structure, facilities/utilities and purposes herein set out;
- (d.) Contract any obligation, or enter into any agreement necessary or incidental to the proper management of its corporate powers; and
- (e.) Carry out capability-building programs with greater efficiency and effectiveness and perform any activity with all the powers conferred by a law or laws upon private or government-owned or controlled corporations; and to do any and all of the acts herein set forth, to the same extent as judicial persons should do, and in any part of the world, as a principal factor, agent or otherwise alone or in syndicate or otherwise in conjunction with any person, entity, partnership, association or corporations, domestic or foreign.

SECTION 5. *Functions.* – The Academy shall have the following functions:

- (a.) Design and implement training and human resource development programs for local government units, executives and functionaries and the DILG personnel that will ultimately effect institutional development and organizational effectiveness;

- (b.) Assist the DILG in promulgating policies, rules and regulations and other issues relative to human resource development and training for LGUs that are responsive to their needs. Training activities shall be preceded by training needs assessments to ensure customized and relevant programs and shall also ensure the conduct of progress and impact in its evaluation of LGU training programs;
- (c.) Establish and maintain a mechanism to enable the LGUs to access technical as well as financial assistance in building institutional capabilities to respond to the needs of local governance within the framework of local autonomy;
- (d.) Establish and maintain a continuing linkage and network with different institutions and civil society groups for synergy in local government capability-building and to cope with the technological and institutional needs of LGUs in the context of globalization;
- (e.) Develop a corps of efficient, effective and competent LGA staff provided with all the remuneration and benefits needed for their enhancement and satisfaction; and
- (f.) Undertake rehabilitation, upgrading and expansion of its training center as a venue for conducting efficient and effective capability-building programs.

SECTION 6. *Location and Offices.* – The Academy shall maintain a central office in the Metro Manila area and three training and technical assistance centers: one (1) in Luzon, one (1) in Visayas and one (1) in Mindanao.

SECTION 7. *Board of Trustees.* – The Board of Trustees shall be the policy-making body of the Academy which shall be composed of the Secretary of the DILG as ex-officio Chairman and the following members:

- (1.) President of the League of Provinces;
- (2.) President of the League of Cities;
- (3.) President of the League of Municipalities;
- (4.) President of the *Liga ng mga Barangay*
- (5.) President of the League of Vice Governors
- (6.) President of the League of Vice Mayors
- (7.) Executive Director of the Academy
- (8.) a representative from the academe
- (9.) a representative from the private sector, who shall be appointed by the President of the Philippines upon the recommendation of the Secretary of the DILG.

The appointive members shall serve for a term of three (3) years without reappointment. Appointment to any vacancy shall only be for the unexpired term of the predecessor.

In no case shall any trustee be appointed or designated in a temporary or acting capacity.

The Chairman and members of the Board of Trustees shall be entitled to reasonable honorarium for the performance of their duties and reimbursement and regulations of expenses incurred while discharging their functions as such, subject to auditing and rules.

SECTION 8. *Powers and Duties of the Board.* – The powers of the Academy shall be vested in the Board of Trustees. It shall have the following powers and duties:

(a.) Prepare and or adopt policies, guidelines, rules and regulations necessary for a smooth and orderly operations and for the enhancement and development of its personnel;

(b.) Prepare and/or approve the organizational structure and staffing pattern for its officers and employees;

All positions shall be governed by compensation and position qualification system and qualification standards approved by the board based on a comprehensive job analysis and audit of actual duties and responsibilities. The compensation plan shall be comparable to the prevailing compensation plans in the private sector and shall be periodically review by the Board no more than every three (3) years without prejudice to a yearly merit review or increases based on productivity and profitability.

(c.) Approve courses of training/study for LGUs and training fees required for training programs as well as for the rental of LGA facilities;

(d.) Approve work plans and budget proposals of the Academy for consideration of appropriate agencies and other funding institutions, both local and foreign;

(e.) Review periodically the administration and programs, performance and accomplishments of the LGA; and

(f.) Perform such other duties as may be required by law.

SECTION 9. *Officers of the Academy.* - The Academy shall be headed by an Executive Director as Chief Executive and assisted by three (3) Deputy Directors for Luzon, Visayas, and Mindanao who shall be appointed by the President of the Philippines upon recommendation of the Board of Trustees. The Executive Director and Deputy Directors shall have passed the Career Executive Service Officers Exam or its equivalent and/or shall satisfy the qualification standards required by the Civil Service Commission.

The Executive Director shall have the following duties and responsibilities:

- (a.) Recommend to the Board of Trustees, the measures and policies which he/she believes are necessary to carry out the purposes of the Academy and all matters pertinent to its operations including the enhancement and development of its personnel;
 - (b.) Recommend to the Board of Trustees the programs and projects of the Academy and coordinate and administer the same;
 - (c.) Direct and supervise the operations and internal administration of the Academy, and delegate administrative responsibilities to the appropriate officer or employee in accordance with its rules and regulations;
- The LGA shall be exempt from the existing Salary Standardization Law and its implementing rules and regulations.
- (d.) Submit an annual report to the Board of Trustees setting forth the accomplishments of the Academy during the year, its financial operations and status;

- (e.) Appoint, subject to civil service laws, rules and regulations, all subordinate officers and employees, who shall enjoy security of tenure and may be removed only for cause in accordance with the law;
- (f.) Engage the services of experts/consultants either on full-time or part-time basis, as may be required in the performance of his functions and duties as determined by him; and
- (g.) Exercise such other powers and discharge such other functions as may be vested by the Board. The executive secretary who shall be appointed by the Board of Trustees shall be the ex-officio recorder/secretary of the Board of Trustees and shall head the secretariat of the Board. He shall also perform such other functions as may be lawfully delegated or assigned by the Board.

SECTION 10. *Financial Resources of the Academy.* – The financial resources of the Academy shall comprise of:

1. Funds from the government appropriation for the LGA for its initial operations and funds from international and national organization, foundations as well as from the private sectors;
2. Voluntary contributions;
3. Income from training and the use of training facilities, sale of publications, materials and other services; and
4. The Academy may also receive non-financial contributions, services or equipment/vehicles needed for its operations.

SECTION 11. *Exemption from Taxes.* - Any provision of existing laws to the contrary notwithstanding, any donation, contribution, bequest, subsidy or financial and

which may be made to the Academy shall be exempt from taxes of any kind, and shall constitute allowable deductions in full from the income of the donors or givers for income tax purposes.

The LGA, its assets, acquisitions including grants and donations, income from its operations and transactions shall be exempt from any and all taxes, fees, charges and imports, licenses and assessment, direct or indirect, imposed by the Republic of the Philippines or any of its political subdivision or taxing authority thereof, except import taxes, duties and fees.

SECTION 12. *Appropriation Clause.* – The amount necessary to carry out the provisions of this Act, shall be included in the appropriations of the year following its enactment into law.

SECTION 13. *Transitory Provisions.* – All functions, powers, duties and responsibilities of the existing LGA presently attached to the DILG as well as all assets, properties, funds, indebtedness or liabilities, including its budgetary appropriations, shall be transferred to the Academy created under this Act, subject to the conditions that may be established by the Department of Budget and Management (DBM), the Commission on Audit (COA) and the Office of the President (OP).

Pending full implementation of the LGA organizational structure and staffing pattern under this Act, all officials and employees of the present LGA shall continue to exercise their powers, discharge their duties, functions and responsibilities and receive their salaries and allowances until they shall be given notice of separation or position in accordance with Civil Service Laws, Rules and Regulations but shall not exceed one (1) year from the approval hereof.

SECTION 14. *Separability Clause.* – If any part or provisions of this Act is declared unconstitutional or invalid, the other parts or provisions hereof which are not affected thereby shall continue to be in full force and effect.

SECTION 15. *Repealing Clause.* – The provisions of Republic Act NO. 6975, Executive Order 262 and all other laws executive orders, issuances pertinent thereto are are hereby amended, repealed or modified accordingly.

SECTION 16. *Effectivity.* – This Act shall take effect fifteen (15) days following its complete publication in the *Official Gazette* or in at least two (2) newspapers of general circulation, whichever comes earlier.

Approved.