

House Bill No. 5306



Introduced by Congressman Rodel M. Batocabe

EXPLANATORY NOTE

In response to state policy of total electrification, access to electricity service by 9 million consumer connections have been provided in the rural areas. The ultimate beneficiaries represent half of the Philippine population all living in areas being served by the 119 electric cooperatives (ECs) nationwide. Behind the achievements of the electric cooperatives is the National Electrification Administration (NEA) as mentor, counselor, supervisor and financier rolled into one.

ECs are not mere cooperatives. They are large infrastructures operating as electric utility in an environment where compliances to performance standards and regulations are demanded of the business. Within the provincial setting they catalyzed the growth in communications technology, people empowerment, education, population control, health services, and most importantly, job generation. Considered the most successful program patterned after the US model, the ECs, with an average of 65,000 – 85,000 member-consumers, continue to be important vehicles for countryside development, making possible the positioning of the country among emerging hubs and global trends for business processing outsourced services, economic zones, among others. Thus the Electric Power Industry Reform Act (EPIRA) mandates NEA:

- a. To prepare electric cooperatives in operating and competing under the deregulated electric market in an environment of open access and retail wheeling;
- b. To strengthen the technical capability and financial viability of rural electric cooperatives; and
- c. To review and upgrade regulatory policies with a view to enhancing the viability of rural electric cooperatives as electric utilities.

The legislative intent of the bill is very timely and relevant to the critical issues that have emerged on the privatization of NPC assets, the deregulation of electric generation sector, regulations relating to open access and retail competition, corporate governance of electric cooperatives, the requirements of open access for high-tech facilities, among others which impact on the afore-stated additional mandate to NEA by the EPIRA. Necessarily, the charter calls for the infusion of additional capital to enable it to guarantee EC transactions. The bill seeks to empower NEA implement on the electric cooperatives the state policy for good governance;

enhance step-in rights to ensure that the NEA has adequate powers to protect investment in ECs and provide them with options so as not to disrupt public service. The end goal is a stronger and better improved rural electric service to meet the demands of globalization.

The bill proposes that the NEA shall exercise regulatory and supervisory functions over all electric cooperatives registered under RA 6038, PD 269 as amended, and those registered with the Cooperative Development Authority (CDA) under RA 9520, and the Securities and Exchange Commission (SEC).

In view of the foregoing, the immediate passage of the bill is earnestly sought.

Adopted.



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43 promote their development, they should be subject to minimal regulation by other administrative
44 agencies.

45 Area coverage electrification cannot be achieved unless service to the more thinly settled
46 areas and therefore most costly to electrify is combined with service to the most densely settled
47 areas and therefore less costly to electrify. Every public service entity should thereafter cooperate
48 in national program of electrification on an area coverage basis, or else surrender its franchise in
49 favor of those public service entities which will. It is hereby found that the total electrification of
50 the Nation requires the laws and administrative practices relating franchise electric service areas
51 be revised and made more effective, as herein provided. It is therefore hereby declared to be the
52 policy of the State that franchises for electric service areas shall hereafter be so issued,
53 conditioned , altered or repealed, and shall be subject to such continuing regulatory surveillance,
54 that the same shall conduce to the most expeditious electrification of the Nation on an area
55 coverage basis.]

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57 IT IS HEREBY DECLARED THE POLICY OF THE STATE TO ENERGIZE THE RURAL
58 AREAS TO SPUR THE ECONOMIC DEVELOPMENT THEREIN. TOWARDS THIS END,
59 THE STATE SHALL EMPOWER AND STRENGTHEN THE NATIONAL
60 ELECTRIFICATION ADMINISTRATION TO PURSUE THIS PROGRAM AND BRING
61 ELECTRICITY - THROUGH THE ELECTRIC COOPERATIVES AS ITS IMPLEMENTING
62 ARM - TO THE COUNTRYSIDE EVEN IN THE MISSIONARY OR ECONOMICALLY
63 UNVIABLE AREAS.

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65 SECTION 3. Definitions. As used in this decree the following words or terms shall have
66 the following meanings, unless a different meaning clearly appears from the context;

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69 (S)"MISSIONARY ELECTRIFICATION" SHALL MEAN THE PROVISION
70 OF BASIC ELECTRICITY SERVICE IN UNVIABLE AREAS WITH THE
71 ULTIMATE AIM OF BRINGING THE OPERATIONS IN THESE AREAS TO
72 VIABILITY LEVELS.

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CHAPTER II - THE NATIONAL ELECTRIFICATION ADMINISTRATION

Sec. 4. NEA, Authorities, Powers and Directives.- Section 4 is hereby amended to add
the following provisions:

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(P) TO GUARANTEE THE TRANSACTIONS FOR ELECTRIC COOPERATIVES CONSISTENT WITH THE PROVISIONS OF THIS ACT AND SUBJECT TO THE POLICY PROMULGATED BY THE NEA;
(Q) TO EXERCISE STEP-IN RIGHTS AS HEREIN PROVIDED
(R) TO RESTRUCTURE AILING ELECTRIC COOPERATIVES;
(S) TO DEVELOP, SET, AND ENFORCE TECHNICAL AND FINANCIAL COMPLIANCE STANDARDS FOR THE EFFICIENT OPERATION OF ELECTRIC COOPERATIVES SUCH AS THE OBSERVANCE OF GOVERNMENT PROCUREMENT PROCEDURES; AND
(T) TO PURSUE ELECTRIFICATION PROGRAMS THROUGH THE ELECTRIC COOPERATIVES;

Section 5. A new section is hereby added as section 6-A and to read as follows:

SEC. 6-A CAPITAL STOCK – THE AUTHORIZED CAPITAL STOCK OF NEA is HEREBY INCREASED TO TWENTY-FIVE BILLION PESOS (P25B) DIVIDED INTO TWO HUNDRED FIFTY MILLION SHARES HAVING A PAR VALUE OF ONE HUNDRED (P 100.00) PESOS EACH, WHICH SHARES ARE NOT TO BE TRANSFERRED, NEGOTIATED, PLEDGED, MORTGAGED, OR OTHERWISE GIVEN AS SECURITY FOR THE PAYMENT OF ANY OBLIGATION.

THE SUM OF FIVE BILLION PESOS (P5B) OF THE CAPITAL STOCK HAS BEEN SUBSCRIBED AND PAID WHOLLY BY THE GOVERNMENT OF THE PHILIPPINES IN ACCORDANCE WITH THE PROVISIONS OF RA 2700, RA 638, PD 269 AND PD1645. THE REMAINING BALANCE SHALL BE WHOLLY SUBSCRIBED BY THE GOVERNMENT OF THE PHILIPPINES.

Sec. 6. Enforcement Powers. Sec. 10 is hereby amended to read as follows:

[Sec. 10. Enforcement Powers. – If any public service entity which has borrowed funds from the NEA, or from any other lender with the NEA’S lawfully required prior to approval, shall default in its principal or interest payments, or shall fail, after notice from NEA to comply with any term of condition of a loan agreement or of any rule or regulation promulgated by the NEA in administering the provisions of this Decree, the Board of Administrators is hereby authorized and empowered in its discretion to do any or any combination of the following:

- (a) Refuse to make, or give any required approval, to any new loan to the borrower;
- (b) Withhold without limitation the NEA’s advancement, or withhold its approval for any other lender with respect to which the NEA has such approving power to make advancement, of funds pursuant to any loan already made to the borrower;
- (c) Withhold any technical or professional assistance otherwise being finished or that might be furnished to the borrower;

122 (d) Foreclose any mortgage or deed or trust or other security held by the NEA on the properties
123 of such borrower, in connection with which the NEA, may, subject to any superior or co-
124 equal rights in such lien held by any other lender, (1) bid for any purchase or otherwise
125 acquire such properties, (2) pay the purchase price thereof and any costs and expenses
126 incurred in connection herewith out of the revolving fund, (3) accept title to such properties
127 in the name of the Republic of the Philippines; and (4) even prior to the institution of
128 foreclosure proceedings, operate or lease such properties for such period, and in such
129 manner as may be deemed necessary or advisable to protect the investment therein,
130 including the improvement, maintenance and rehabilitation of systems to be foreclosed, but
131 the NEA shall, within five years after acquiring such properties in foreclosure proceedings,
132 sell the same for such considerations as it determines most conducive to the achievement of
133 the purposes of this decree; or

134 (e) Take any other remedial measure for which the loan agreement may provide.

135 In addition to the foregoing, the Board of Administrators may, as its own instance and in the
136 name of NEA, petition any court having jurisdiction for such purpose or any administrative
137 agency possessing regulatory powers for such purposes (including the Board of Power and
138 Waterworks) to issue such order and afford such lawful relief as may be necessary.

139 No borrower shall, without the approval of the Board of Administrators and of any other
140 lender holding or sharing a lien on such borrower's properties, sell or dispose of the property,
141 rights, franchises, permits or any other assets acquired and/or mortgaged pursuant to the
142 provisions of this Decree until all outstanding indebtedness to the NEA and any other such
143 lender, including all interest owing thereon, shall have been repaid, Provided, that the NEA
144 may, by appropriate rule or regulation, grant general permission to borrowers to dispose of
145 incidental properties (excluding real property), rights, franchises, permits or other assets no
146 longer deemed necessary or useful in conducting the borrower's operations.

147 No cooperative shall borrow money from any source without the Board of Administrator's
148 prior approval; Provided, that the Board of Administrators may, by appropriate rule or
149 regulation, grant general permission to cooperatives to secure short-term loans not requiring the
150 encumbering of their real properties or of a substantial portion of their other properties or
151 assets.]

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153 Sec 10. ENFORCEMENT OF LOAN REMEDIES.- IF ANY ELECTRIC
154 COOPERATIVE WHICH HAS BORROWED FUNDS FROM NEA, OR FROM ANY
155 OTHE LENDER WITH THE NEA'S REQUIRED PRIOR WRITTEN APPROVAL,
156 SHALL DEFAULT IN ITS PRINCIPAL OR INTERESTPAYMENTS,OR SHALL
157 FAIL, AFTER NOTICE FROM NEA, TO COMPLY WITH ANY OTHER TERM OF
158 THE LOAN AGREEMENT OR OF ANY LAON POLICIES PROMULGATED BY
159 NEA BOARD OF ADMINSTRATORS IS HEREBY AUTHORIZED AND

160 EMPOWERED IN ITS DISCRETION TO DO ANY, OR ANY COMBINATION OF
161 THE FOLLOWING:

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163 (A) REFUSE TO MAKE, OR APPROVE ANY NEW LOAN TO THE BORROWER OR TO
164 RELEASE FUNDS TO IMPLEMENT LOANS THAT HAVE OTHERWISE BEEN
165 APPROVED;

166 (B) WITHHOLD NEA ADVANCES, OR WITHHOLD APPROVAL OF ADVANCES OR THE
167 NEA HAS SUCH POWER FUND RELEASES ON BEHALF OF ANY OTHER LENDER
168 WITH RESPECT TO WHICH RELATIVE TO LOANS MADE;

169 (C) WITHHOLD ANY TECHNICAL, INSTITUTIONAL OR PROFESSIONAL ASSISTANCE
170 OTHERWISE BEING FURNISHED OR THAT MIGHT BE FURNISHED TO THE
171 BORROWER;

172 (D) FORECLOSE ANY MORTGAGE OR DEED OF TRUST OR OTHER SECURITY HELD
173 BY THE NEA ON THE PROPERTIES OF SUCH BORROWER, IN CONNECTION WITH
174 WHICH THE NEA, MAY, SUBJECT TO ANY SUPERIOR OR CO-EQUAL RIGHTS IN
175 SUCH LIEN HELD BY ANY OTHER LENDER; (1) BID FOR AND PURCHASE OR
176 OTHERWISE ACQUIRE SUCH PROPERTIES; (2) PAY THE PURCHASE PRICE THEREOF
177 AND ANY COSTS AND EXPENSES INCURRED IN CONNECTION THEREWITH OUT OF
178 THE REVOLVING FUND; (3) ACCEPT TITLE TO SUCH PROPERTIES UNDER ITS
179 NAME; AND (4) EVEN PRIOR TO THE INSTITUTION OF FORECLOSURE
180 PROCEEDINGS, OPERATE OR LEASE SUCH PROPERTIES FOR SUCH PERIOD, AND IN
181 SUCH MANNER AS MAY BE DEEMED NECESSARY OR ADVISABLE TO PROTECT
182 THE INVESTMENT THEREIN, INCLUDING THE IMPROVEMENT, MAINTENANCE
183 AND REHABILITATION OF SYSTEMS TO BE FORECLOSED, BUT THE NEA SHALL,
184 WITHIN FIVE YEARS AFTER ACQUIRING SUCH PROPERTIES IN FORECLOSURE
185 PROCEEDINGS, SELL THE SAME FOR SUCH CONSIDERATION AS IT DETERMINES
186 TO BE REASONABLE AND UPON SUCH TERMS AND CONDITIONS AS IT
187 DETERMINES MOST CONDUCTIVE TO THE ACHIEVEMENT OF THE PURPOSES OF
188 THIS ACT; OR

189 (E) TAKE ANY OTHER REMEDIAL MEASURE FOR WHICH THE LOAN AGREEMENTS
190 MAY PROVIDE.

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192 NO COOPERATIVE SHALL BORROW MONEY FROM ANY SOURCE WITHOUT THE
193 PRIOR APPROVAL OF NEA; PROVIDED, THAT THE NEA MAY, BY APPROPRIATE
194 RULE OR REGULATION, GRANT GENERAL PERMISSION TO COOPERATIVES TO
195 SECURE SHORT-TERM LOANS NOT REQUIRING THE ENCUMBERANCE OF THEIR
196 REAL PROPERTIES OR OF A SUBSTANTIAL PORTION OF THEIR OTHER
197 PROPERTIES OR ASSETS.

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199 SEC. 10. ENFORCEMENT POWERS. SECTION 10 OF PRESIDENTIAL DECREE (PD) 69
200 IS HEREBY AMENDED TO ADD THE FOLLOWING PROVISIONS TO READ AS
201 FOLLOWS:

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203 SEC. 10-A. "ENFORCEMENT OF REGULATORY AND SUPERVISORY
204 FUNCTIONS".

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206 (A) IN THE EXERCISE OF ITS POWER OF SUPERVISION AND CONTROL
207 OVER ELECTRIC COOPERATIVES, THE NEA IS EMPOWERED TO ISSUE
208 ORDERS, RULES AND REGULATIONS AND MOTU PROPIO OR UPON
209 PETITION OF THIRD PARTIES, TO CONDUCT INVESTIGATIONS,
210 REFERENDA AND OTHER SIMILAR ACTIONS IN ALL MATTERS
211 AFFECTING SAID ELECTRIC COOPERATIVES;

212 (B) THE NEA SHALL CONTINUE TO EXERCISE REGULATORY AND
213 SUPERVISORY FUNCTIONS ON ALL ELECTRIC COOPERATIVES
214 ORIGINALLY REGISTERED UNDER PD 269, NOTWITHSTANDING THEIR
215 REGISTRATION WITH THE COOPERATIVE DEVELOPMENT AUTHORITY
216 (CDA) OR SECURITIES AND EXCHANGE COMMISSION (SEC).

217 (C) IN THE EXERCISE OF ITS REGULATORY AND SUPERVISORY
218 FUNCTIONS, THE NEA SHALL TAKE PREVENTIVE AND/OR
219 DISCIPLINARY MEASURES INCLUDING BUT NOT LIMITED TO
220 SUSPENSION AND/OR REMOVAL AND REPLACEMENT OF ANY OR
221 ALL OF THE MEMBERS OF THE BOARD OF DIRECTORS, OFFICERS OR
222 EMPLOYEES OF THE ELECTRIC COOPERATIVE, AS THE NEA MAY
223 DEEM FIT AND NECESSARY AND TO TAKE ANY OTHER REMEDIAL
224 MEASURES AS THE LAW OR THE LOAN AGREEMENT MAY PROVIDE.

225 (D) ALL EXISTING PERSONNEL OF NEA SHALL CONTINUE TO BE
226 EMPLOYEES THEREOF, WITHOUT DEMOTION OR DIMINUTION OF
227 RANK AND SALARY; AND ALL ON-GOING PROJECTS AND/OR
228 APPROVED LOANS OF THE NEA ESTABLISHED UNDER REPUBLIC ACT
229 NO. 6038 AND PD 269, AS AMENDED, SHALL BE REVIEWED BY THE
230 NEA ESTABLISHED UNDER THIS ACT AND IN SO FAR AS FOUND TO
231 BE ECONOMICALLY FEASIBLE IN ACCORDANCE WITH SOUND
232 MANAGEMENT, ENGINEERING AND TECHNOLOGICAL STANDARDS,
233 SHALL BE CONTINUED AND COMPLETED ON A PRIORITY BASIS.

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235 SEC. 10-B. THE NEA SHALL HAVE STEP-IN RIGHTS IN CASES OF
236 AILING ELECTRIC COOPERATIVES. UPON EXERCISING ITS STEP-IN RIGHTS,
237 THE NEA SHALL IMMEDIATELY TAKE OVER THE OPERATIONS OF THE

238 AILING ELECTRIC COOPERATIVE FROM THE BOARD. DURING THE TAKE
239 OVER, THE NEA MAY ALSO REMOVE OFFICERS IN ORDER TO EFFECTIVELY
240 MANAGE THE AFFAIRS OF THE AILING COOPERATIVE. WITHIN SIX (6)
241 MONTHS FROM THE TAKE OVER, THE NEA MAY CONVERT THE AILING
242 ELECTRIC COOPERATIVE TO EITHER A STOCK COOPERATIVE REGISTERED
243 WITH THE CDA OR A STOCK CORPORATION REGISTERED WITH THE
244 SECURITIES AND EXCHANGE COMMISSION.

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246 IN THE DETERMINATION OF CONVERSION, THE NEA SHALL BE GUIDED BY
247 THE ABILITY TO PAY OF THE MEMBER-CONSUMERS OF SAID ELECTRIC
248 COOPERATIVE FOR THEIR SHARES IN THE STOCK COOPERATIVE OR STOCK
249 CORPORATION.

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251 IN THE EXERCISE OF ITS STEP-IN RIGHTS UNDER THIS ACT, THE NEA MUST
252 STRICTLY OBSERVE DUE PROCESS. THE STEP-IN RIGHTS MAY ONLY BE
253 EXERCISED IN CASE OF FAILURE OF THE ELECTRIC COOPERATIVE TO
254 MEET OPERATIONAL STANDARDS SET BY NEA OR IN OTHER ANALAGOUS
255 INSTANCES SET FORTH IN THE IMPLEMENTING RULES AND REGULATIONS
256 OF THIS ACT.

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258 CHAPTER III – ELECTRIC COOPERATIVES

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260 Sec. 7 Sec. 39. Assistance to Cooperative; Exemption from Taxes, Imposts, Duties, Fees;
261 Assistance from the National Power Corporation.- Section 39 is hereby amended to add the
262 following provisions to read as follows:

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267 (C) TO AVAIL OF PREFERENCIAL RIGHTS GRANTED TO COOPERATIVES UNDER REPUBLIC. 7160,
268 OTHERWISE KNOWN AS THE LOCAL GOVERNMENT CODE, AND OTHER LAWS;

269 (D)ELECTRIC COOPERATIVES SHALL BE ENTITLED TO CONGRESSIONAL
270 ALLOCATIONS, GRANTS, SUBSIDIARIES AND OTHER FINANCIAL
271 ASSISTANCE FOR RURAL ELECTRIFICATION.

272 (E)ALL SUBSIDIES, GRANTS, AND OTHER ASSISTANCE SHALL FORM
273 PART OF THE DONATED CAPITAL AND FUNDS OF THE ELECTRIC
274 COOPERATIVES, AND AS SUCH, IT SHALL NOT BE SOLD, TRADED NOR
275 BE DIVIDED INTO SHARE HOLDINGS AT ANY TIME; THESE DONATED
276 CAPITAL/FUND SHALL BE VALUATED FOR THE SOLE PURPOSE OF
277 DETERMINING THE EQUITY, PARTICIPATION OF THE MEMBERS;

278 PROVIDED THAT IN CASE OF DISSOLUTION OF THE ELECTRIC
279 COOPERATIVE, SAID DONATED CAPITAL SHALL BE SUBJECT TO
280 ESCHEAT.
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282 Sec.8 Sec.59. Court Review. Section 59 is hereby amended to read as follows:

283 Section 59 Court Review.- [The Supreme Court is hereby given jurisdiction to review any
284 order, ruling, or decision of the NEA and to modify or set aside such order, ruling, or decision
285 when it clearly it happens that there was no evidence before the NEA to support reasonably such
286 order, ruling or decision, or that the same is contrary to law, or that it was without the
287 jurisdiction of NEA. The evidence presented to the NEA, together with the record of the
288 proceedings before the NEA, shall be certified by the NEA to the Supreme court. Any order ,
289 ruling or decision of the NEA may likewise be reviewed by the Supreme Court upon a writ of
290 certiorari in proper cases. The procedure for review, except as herein provided, shall be
291 prescribed by rules of the Supreme court. Any order, or decision of the NEA may be reviewed on
292 the application of any person or public service entity aggrieved thereby and who was a party in
293 the subject proceeding, by certiorari in appropriate cases or by a petition for review, which shall
294 be filed within thirty (30) days from the notification of the NEA order, decision, or ruling on
295 reconsideration. Such petition shall be placed on file in the office of the Clerk of the Supreme
296 Court who shall furnish copies thereof of the NEA and other interested parties.]
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298 NOTWITHSTANDING ANY LAW TO THE CONTRARY, THE COURT OF
299 APPEALS IS HEREBY GIVEN EXCLUSIVE JURISDICTION TO REVIEW
300 ANY AWARD, JUDGMENT, FINAL ORDER OR RESOLUTION OF THE
301 NEA AND TO MODIFY OR SET ASIDE SUCH AWARD, JUDGEMENT,
302 FINAL ORDER OR RESOLUTION WHEN IT CLEARLY APPEARS THAT
303 NO EVIDENCE WAS PRESENTED BEFORE THE NEA TO SUPPORT
304 REASONABLY SUCH AWARD, JUDGMENT, FINAL ORDER OR
305 RESOLUTION OR THAT THE SAME IS CONTRARY TO LAW, OR THAT
306 IT WAS WITHOUT THE JURISDICTION OF THE NEA. THE EVIDENCE
307 PRESENTED TO THE NEA, TOGETHER WITH THE RECORD OF THE
308 PROCEEDINGS BEFORE THE NEA, SHALL BE CERTIFIED BY THE NEA
309 TO THE COURT OF APPEALS. ANY ORDER, RULING, OR DECISION OF
310 THE NEA MAY LIKEWISE BE REVIEWED BY THE COURT OF APPEALS
311 UPON A PETITION FOR CERTIORARI IN PROPER CASES. THE
312 PROCEDURE FOR REVIEW, EXCEPT AS HEREIN PROVIDED, SHALL BE
313 PRESCRIBED BY RULES OF THE COURT OF APPEALS ANY ORDER, OR
314 DECISION OF THE NEA MAY BE REVIEWED ON THE APPLICATION OF
315 ANY PERSON OR PUBLIC SERVICE ENTITY AGGRIEVED THEREBY
316 AND WHO WAS A PARTY IN THE SUBJECT PROCEEDING, BY

317 CERTIORARI IN APPROPRIATE CASES OR BY A PETITION FOR
318 REVIEW, WHICH SHALL BE FILED WITHIN FIFTEEN (15) DAYS FROM
319 THE NOTIFICATION OF THE NEA ORDER, DECISION, OR RULING ON
320 RECONSIDERATION, OR FROM THE DATE OF ITS LAST PUBLICATION,
321 IF PUBLICATION IS REQUIRED BY LAW FOR ITS EFFECTIVITY.

322
323 Sec.9 Sec. 60 No Stay .-Of PRESIDENTIAL DECREE (PD) 269 is hereby amended to
324 read as follows:[The Institutions of a writ of certiorari or other special remedies in the
325 Supreme Court shall in no case supersede or stay any order, ruling or decision of the NEA
326 unless the court shall so direct and the appellant may be required by the Court to give bond in
327 such form and of such amount as may be deemed proper.]

328
329 THE INSTITUTION OF A PETITION FOR CERTIORARI OR OTHER
330 SPECIAL REMEDIES IN THE COURT OF APPEALS OR IN ANY
331 REGIONAL TRIAL COURT SHALL IN NO CASE SUPERCEDE OR STAY
332 ANY ORDER, RULING OR DECISION OF THE NEA IN THE EXERCISE OF
333 ITS RIGHTS UNDER THIS ACT UNLESS THE COURT SHALL SO DIRECT:
334 *PROVIDED THAT*, SUCH A STAY SHALL IN NO CASE EXCEED SIXTY
335 (60) DAYS AND A BOND IN SUCH FORM AND AMOUNT ENOUGH TO
336 COVER THE LIABILITIES ARISING DURING THE PERIOD OF THE STAY
337 SHALL BE POSTED.

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339 Sec. 11. Separability Clause. If any part or section of this act is declared unconstitutional
340 such declaration shall not affect in any manner other parts or sections of this Act.

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342 Sec. 12. Effectivity. This Act shall ake effect after its publication in at least two (2)
343 newspapers in general circulation.

Adopted.

REP. RODEL BATOCABE
AKO BICOL Party List