

SIXTEENTH CONGRESS OF THE
REPUBLIC OF THE PHILIPPINES
First Regular Session

HOUSE of REPRESENTATIVES
House Bill No. xxxx **4867**



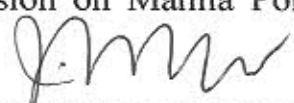
Introduced by: MA. THERESA B. BONOAN
4th District, City of Manila

EXPLANATORY NOTE

The City of Manila has Manila de bay, national wealth, in its territorial jurisdiction. The bay is considered to be one of the best natural harbours in Southeast Asia and one of the finest in the world. **Manila de Bay** is a natural harbour which serves all water_bourne commercial activities of the Port of Manila. It facilitated commerce and trade between the Philippines and its neighboring countries, becoming the gateway for socio-economic development even prior to Spanish occupation.

It is provided in the Constitution that the City of Manila shall be entitled to an equitable share in the proceeds of the national wealth as well as in the utilization and development of it. Manila was never given a share in the income from its own national wealth. After 40 years of taking away of its Constitutional right, Manila is in now fighting not only for its share on the income on the port harbors, Manila is now fighting for its very existence for it has been financially cash strapped hardly could pay the salaries of its employees and its obligations, affecting the quality of its public service.

The Bill strengthens Manila's Constitutional right and privilege in its share in the income from the port harbor. The Bill seeks to provide Manila an additional income on the Gross of PPA. The local government unit can utilize this in the implementation of its scholarship programs and projects in providing better social services with end objective of improving the lives of Manileños and our Filipino brothers and sisters. It is hereby declared the policy of the state shall promote a just and dynamic social order that will ensure the prosperity and independence of the nation and free the people from poverty through policies that provide adequate social services, promote full employment, a rising standard of living, and an improved quality of life for all. (Sec. 9 Art. 2 of the Constitution) However, it is clear that the local government unit shall respect the autonomy of PPA's administration and supervision on Manila Ports as provided in PD 875.


HON. MA. THERESA B. BONOAN
4th District, City of Manila

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Introduced by: MA. THERESA B. BONOAN
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AN ACT URGING PPA (PHILIPPINE PORT AUTHORITIES) TO SHARE THEIR INCOME WITH THE CITY OF MANILA IN THE PROCEEDS DERIVED FROM MANILA PORTS, INCLUDING SHARING THE SAME WITH ITS INHABITANTS BY WAY OF DIRECT BENEFITS THROUGH SCHOLARSHIPS.

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 “MANILA’S NATIONAL WEALTH SCHOLARSHIP ACT OF 2014”.

SECTION 2. DECLARATION OF POLICY. –

- A) Local Governments shall be entitled to an equitable share in the proceeds of the utilization and development of the national wealth within their respective areas, in the manner provided by law, including sharing the same with the inhabitants by way of direct benefits. (Sec. 7 Art. X of the Constitution)
- B) The term national wealth shall mean all natural resources situated within the Philippine territorial jurisdiction including lands of public domain, waters, minerals, coal, petroleum, mineral oils, potential energy forces, gas and oil deposits, forest products, wildlife, flora and fauna, fishery and aquatic resources, and all quarry products.” (Article 386 of the Local Government Code)
- C) It is hereby declared the policy of the state shall promote a just and dynamic social order that will ensure the prosperity and independence of the nation and free the people from poverty through policies that provide adequate social services, promote full employment, a rising standard of living, and an improved quality of life for all. (Sec. 9 Art. 2 of the Constitution)

- D) The territorial and political subdivisions of the State shall enjoy genuine and meaningful local autonomy to enable them to attain their fullest development as self-reliant communities and make them more effective partners in the attainment of national goals. (Declared Policy in Republic Act No 7160, otherwise known as the Local Government Code of 1991)
- E) "The State shall protect and advance the right of the people to a balanced and healthful ecology in accord with the rhythm and harmony of nature." (Article II, Section 16 of the Constitution)

SECTION 3. DEFINITIONS:

- **"DUES"** includes harbor fees, tonnage and wharfage dues, berthing charges, and port dues and any other dues or fees imposed by virtue of existing law or PD 857.
- **"NATIONAL WEALTH"** shall mean all natural resources situated within the Philippine territorial jurisdiction including lands of the public domain, **waters**, minerals, coal, petroleum, mineral oils, potential energy forces, gas and oil deposits, forest products, wildlife, flora and fauna, **fishery and aquatic resources**, and all quarry products" (Article 386 of the Local Government Code)
- **"NET EARNINGS"** shall mean income derived from whatever source, whether exempt or subject to tax, net of deductions allowed under Section 29 of the National Internal Revenue Code, as amended, and income tax and other taxes paid thereon, but in no case shall any reserve for whatever purpose be allowed as a deduction from net earnings.
- **"PORT"** means a place where ships may anchor or tie up for the purpose of shelter, repair, loading or discharge of cargo, or for other such activities connected with water-borne commerce, and including all the land and all water areas and the structures, equipment and facilities related to these functions.

SECTION 4. SHARE OF MANILA FROM PPA:

Manila shall have a share based on the preceding fiscal year from the proceeds derived by PPA engaged in the utilization and development of the national wealth based on the following formula whichever will produce a higher share for Manila or whatever is practicable:

- a) One percent (1%) of the gross sales or receipts of the preceding calendar year or
- b) Forty percent (40%) of the taxes, fees or charges, including related surcharges, interests or fines PPA would have been paid if it were not otherwise exempt.

SECTION. 5. AUTOMATIC RELEASE OF SHARES:

The Constitutional share of Manila shall be remitted, without need of any further action, directly to the treasury of Manila, on a yearly basis within thirty (30) days after the end of each year, and which shall not be subject to any lien or holdback that may be imposed by the Courts or National Government for whatever purpose.

SECTION. 6. DIVIDENDS UNDER RA 7656 AND ALL TAXES SHALL BE PAID BY PPA. The constitutional share of Manila generated within Manila shall fully & exclusively utilized for the benefit of the City of Manila having no need to declare dividends under RA 7656 for the above share shall be deducted only after PPA has declared its dividends based on the latter's net earnings to the National Government as prescribed in RA 7656.

SECTION. 7.

The Constitutional share of Manila shall be appropriated by the Sangguniang Panlungsod as special funds to finance the following scholarship programs of the poor and indigent Manileno scholars:

- a) For Alternative Learning System (ALS)
- b) Training pangkabuhayan identified by DOLE, Tesda, or by the Local Government Unit as in-demand or needed in the industry or are relevant to help the impoverished improve their standard of living.

provided for that those which are classified as category C3 or D by the social workers of DSWD during their ALS Review or training pangkabuhayan

-they shall be served one full meal per school day and

-they shall have a supply of one kilo quality rice subsidy depending on the weekly attendance of the scholar/s provided it should not be more than ten kilos per week per family for each category of scholars, while in their

training pangkabuhayan seminar and while they are on their on-the-job training provided it does not exceed 6 (six) months from the start of on-the-job training.

-provided that during their internship or on-the-job training they shall be given food and transport allowance based on market rate/prices in Manila. This shall be shouldered equally using the above special funds and DOLE's funds and

- c) college scholarship in courses identified by DOLE or CHED or City of Manila as in-demand and/or courses which are in dire need in our country.

Provided that those who are classified as category C3 or D by the social workers of DSWD shall have the following privileges:

-supply of one kilo of quality rice subsidy depending on the weekly attendance of the scholar/s provided it should not be more than ten kilos per week per family of the scholars while they are in school provided it does not exceed the usual number of years prescribed in the course chosen and it shall continue during their Review necessary for the its board exam.

The scholar shall undergo assessment tests to gauge what employable course is appropriate considering the interest, ability and skills of the scholar.

The City shall provide free annual courses, in coordination with private industries or companies, that will enhance and update the employees skills in response to the needs of the times without additional help or subsidies from the above special funds.

SECTION. 8. CREATION OF RESERVES. – The balance of any revenue or income of the MPSERA remaining at the end of each year shall be applied to the creation of a general reserve or such other reserves and shall be utilized in accordance to what is originally prescribed in this Law.

SECTION 9. AUDITING. - The Commission on Auditor assigned in the City of Manila, in coordination with the DOF (Department of Finance) shall monitor the proper implementation of this project.

SECTION 10. SEPARABILITY CLAUSE. - If any provision of this Act shall be held unconstitutional or invalid, the other provisions not otherwise affected shall remain in full force and effect.

SECTION 11. REPEALING CLAUSE. - All laws, executive orders or issuances or any part thereof which are inconsistent herewith are hereby repealed or amended accordingly.

SECTION 12. EFFECTIVITY CLAUSE. - This Act shall take effect fifteen (15) days after its publication in at least two (2) national newspapers of general circulation.

Approved.