

Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City

SEVENTEENTH CONGRESS
First Regular Session

HOUSE BILL NO. **5634**



Introduced by **HON. GUS S. TAMBUNTING**

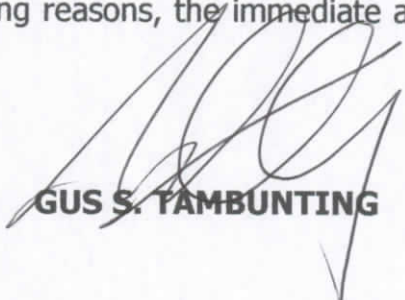
EXPLANATORY NOTE

This bill seeks to institutionalize the ONE STOP SHOP for the issuance of business permits and licenses by all local government units in the country to make it much simpler, easier and more business-friendly to all entrepreneurs, businessmen and investors.

As we all know, businesses are the lifeblood of our economy. They provide employment for our people and pay much needed taxes that our government use for its various programs and projects.

By streamlining this process, it is the hope of the undersigned that it will help attract more investors, provide an environment more conducive for businesses and help eradicate or lessen red tape.

With that in mind and in view of the foregoing reasons, the immediate approval of this bill is earnestly sought.


GUS S. TAMBUNTING

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HOUSE BILL NO. **5634**

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AN ACT
ESTABLISHING A NATIONAL POLICY ON EASING BUSINESS PERMITS AND
LICENSES APPLICATION IN ALL LOCAL GOVERNMENT UNITS 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 law shall be known as "Quick Business Registration Act of 2017."

SECTION 2. *Declaration of Policy.* – The Constitution recognizes the indispensable role of the private sector who engages in private enterprise and investments, thus, it is a policy of the State to provide a business environment that is conducive to the establishment of businesses in the country and provide them with a simplified business permit and licensing procedure that is fast and efficient with a streamlined list of requirements thus preventing red tape.

SECTION 3. *Coverage.* – This Act shall apply to all local government units involved in the issuance of business permits and licenses to business entities.

SECTION 4. *Requirements for Business Permit and Licensing Application.* – All local government units and national government agencies involved in the issuance of business permits and licenses shall post a comprehensive checklist of requirements required for the issuance of said permits. A uniform checklist of requirements required by licensing and permitting offices issuing a similar license, clearance and/or permit shall be established when applicable.

The checklist of requirements, step-by-step procedure and schedule of fees for the issuance of a license, clearance and/or permit shall be conspicuously posted in the premises of national and local government licensing and permitting agencies and in the Business One Stop Shop or in areas designated by cities/municipalities. The same information shall likewise be posted online in the official website of national government agencies and local government units. Business entities shall be limited to submitting only the requirements provided in the checklist in the processing of an application. Provided, however, That in cases where additional documents are required, the business licensing and/or permitting

office shall notify the applicant of the reasons he must comply with the submission of such documents.

SECTION 5. *Prescribed Processing Time for License, Clearance and/or Permit Applications.* – Local government units and national government agencies involved in the processing and issuance of licenses, clearances and/or permits to business entities shall process the application of business entities and communicate the decision regarding approval or if the application has been disapproved, along with comments or reasons for such disapproval, within three (3) working days for simple applications and ten (10) working days for complex applications from the time the application is received. For special type of businesses that require clearances, accreditation and/or licenses issued by government agencies including regulatory agencies as provided for by law where technical evaluation or such necessary condition is required in the processing of licenses, clearances and/or permits, the prescribed processing time shall in no case be longer than thirty (30) working days or as determined by the government agency or instrumentality concerned, whichever is shorter.

SECTION 6. *Automatic Approval of License, Clearance and/or Permit Applications.* – An application for a license, clearance and/or permit shall be deemed approved upon failure or inaction of the concerned local government unit to process and issue the license, clearance and/or permit after the prescribed processing time has lapsed without informing the applicant of the error, omissions and/or additional documents required for submission. Provided, That all required documents have been submitted and all required fees and charges have been paid. Provided, however, That in cases where the cause of delay is due to force majeure or natural or man-made disaster which may result to damage or destruction of documents, the prescribed processing time in the preceding Section shall be suspended and appropriate adjustments shall be made. Provider further. That if the application for license, clearance and/or permit shall require the approval of the Sangguniang Bayan in the case of a municipality, Sangguniang Panlungsod in the case of a city or Sangguniang Panlalawigan in the case of a province, and the respective Sanggunian has denied the application, such case shall be exempt from the operation of Sections 5 and 6 of this Act.

SECTION 7. *Requirements for Business Permit Application.* – A single or unified business application form shall be used in processing new applications for business permits and business renewals which consolidates all the information of the applicant by various local government departments, such as but not limited to the local taxes and clearances, building clearance, sanitary permit, zoning clearance, and other specific local government unit requirements as the case may be, including the fire clearance from the Bureau of Fire Protection. The unified form shall be made available online using technology-neutral platforms such as but not limited to the city/municipality's website and various channels for dissemination.

SECTION 8. *Signatory for Business Permits.* – There shall be at all times an available signatory for the business permits and licenses. An alternate should also be designated in cases wherein the official signatory is not present or on leave.

SECTION 9. *Validity of Business Permits.* – Business permits shall be valid for a period of one (1) year. The city/municipality may have the option to renew business permits within the first month of the year or on the anniversary date of the issuance of the business permit.

SECTION 10. *Computerized or Software-enabled Business Permit and Licensing System.* – Cities/municipalities shall, as far as practicable, automate their business permitting and licensing system (BPLS) or set up an electronic-Business One Stop Shop within a period of one (1) year upon the effectivity of this Act for a more efficient business registration. The Department of Information and Communications Technology (DICT) shall make available to qualified local government units a software for the computerization of the BPLS. The DICT, Department of Interior and Local Government (DILG) and the Department of Trade Industry (DTI) shall provide technical assistance in the planning and implementation of a computerized or software-enabled BPLS.

SECTION 11. *Stream lined Procedures for Securing Fire Safety Clearance.* – For the issuance of the Fire Safety Inspection Certificate (FSIC), the following shall be adopted to make business permitting more efficient:

- a. Issuance of Fire Safety Clearance shall in no case be longer than thirty (15) working days;
- b. For new business permit application, the FSIC already issued during the Occupancy Permit stage shall be sufficient as basis for the issuance of the FSIC for a business entity as a requirement for the business permit;
- c. For renewal of business permit, the BFP shall present an advanced list of establishment of have either passed or failed the FSIC to the city/municipality for faster transactions. If renovations or modifications are made, the business entity is obligated to submit pertinent documents to the BFP sixty (60) days before the expiration of the business permit;
- d. If the BFP fails to furnish the city/municipality with the FSIC or inform the same thru the negative/positive list, the business entity shall be deemed to have a valid FSIC and therefore, the basis for the renewal of the business permit;
- e. The BFP or any of its officials or employees shall not sell, offer to sell, or recommend specific brands of fire extinguishers and other fire safety equipment;
- f. The BFP may enter into agreements with cities/municipalities allowing the latter to be deputized as assessors and/or collecting agents for the fire safety inspection fees; and
- g. The BFP may develop and adopt an online or electronic mechanism in assessing fees, collecting/accepting payments and sharing/exchange of other relevant data on business permit processing.

The pertinent provisions of Republic Act No. 9514, otherwise known as the Revised Fire Code of the Philippines of 2008, are hereby amended accordingly.

SECTION 12. *Violations.* – The following shall constitute a violation of this Act:

1. Refusal to accept application within the prescribed period or any document being submitted by the applicant. Provided that all required documents have been submitted and the necessary fees have been paid;
2. Failure to refer back to the applicant an application which, cannot be acted upon due to lack or incomplete requirements or non-payment of required fees and/or charges within the prescribed period;
3. Failure to act on an application despite the complete submission of requirements and payment of required fees and/or charges within the prescribed period;

4. Failure to give the applicant a written notice on the disapproval of an application within the prescribed period or inform the applicant of any error, omission and/or deficiency in the application;
5. Imposition of additional irrelevant requirements other than those provided by the concerned agency and/or local government unit.

SECTION 13. *Penalty.* – Penalties for the violations of the preceding section shall be as follows:

1. First offense - Thirty (30) days suspension without pay;
2. Second Offense - Three (3) months suspension without pay; and
3. Third Offense - Dismissal and perpetual disqualification to hold public office, cancellation of Civil Service eligibility, forfeiture of retirement benefits and one (1) to six (6) years imprisonment.

Criminal liability will also attach once the violation was done deliberately and maliciously with the purpose of harassing the applicant and/or to solicit favor in cash or in kind. In such case, the provisions of the Revised Penal Code shall apply and such other applicable penal laws.

SECTION 14. *Persons Liable.* – The head of office/agency or supervising officer designated to be the authorized and/or final signatory to the issuance of a license, permit and/or clearance shall be held liable and accountable in the implementation of this Act.

SECTION 15. *Jurisdiction.* – The administrative jurisdiction on any violation of the provisions of this Act shall be vested either in the Civil Service Commission (CSC) and the Office of the Ombudsman whereas the criminal jurisdiction shall be vested with the appropriate courts as specified under applicable laws.

SECTION 16. *Implementing Rules and Regulations.* – The DILG, in consultation with concerned government agencies such as but not limited to DICT, BIR, BFP, CSC and DENR, organizations such as ULAP (Union of Local Authorities of the Philippines) and the Leagues under its organization, the national association of business permits and licensing officers and other stakeholders, shall issue the implementing rules and regulations of this Act within ninety (90) days after the effectivity of this Act.

SECTION 17. *Separability Clause.* – If any part or provision of this Act is declared as unconstitutional or invalid, the other provisions, which are not affected, shall continue to be in full force and effect.

SECTION 18. *Repealing Clause.* – All laws, executive orders, decrees, rules and regulations, or any part thereof inconsistent with the provisions of this Act are deemed repealed, amended or modified accordingly.

SECTION 19. *Effectivity.* – This Act shall take effect fifteen (15) days after its complete publication in at least two (2) newspapers of general circulation.

Approved,