

Republic of the Philippines  
HOUSE OF REPRESENTATIVES  
Quezon City

SEVENTEENTH CONGRESS  
Second Regular Session

**6616**  
HOUSE BILL NO. \_\_\_\_\_



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INTRODUCED BY REPRESENTATIVE JOSE "PINGPING" I. TEJADA

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#### EXPLANATORY NOTE

Section 6 of Republic Act 7160, otherwise known as the Local Government Code of 1991, empowers the Sangguninag Panlalawigan and Sangguniang Panlungsod to create barangays in their respective territorial jurisdiction, through the enactment of appropriate ordinance, subject to the limitations and requirements prescribed by the Code. The power is designed to enhance local autonomy, and recognition of the fact the concerned Sanggunians are in a better position to chart the destiny of their local units.

This power is likewise recognized under Section 385 of the Code, which provides that barangays, whether created by law passed by Congress or through ordinance of the sangguniang panlalawigan or panglungsod, shall be subject to approval by a majority of votes cast in a plebiscite to be conducted by the COMELEC in the local government unit or units directly affected with such period of time as may be determined by law.

Section 285 of the Code, however, mandates that *"the financial requirements of barangays created by local government units after the effectivity of this Code shall be the responsibility of the local government unit concerned"*. Thus, the local government unit creating the barangay, as mandated in the above-quoted provision, has the corresponding obligation to financially support the newly established local government units.

The policy on establishing, protecting and enhancing fiscal autonomy on all levels of local governance is integral to the proper exercise of local government functions. This policy refers not just to the power to allocate one's resources in accordance with one's priorities but also the power to create one's own sources of revenue in addition to one's equitable share in the national taxes released by the central government.

Section 6, Article X of the Constitution states: *"Local government units shall have a just share, as determined by law, in the national taxes which shall be automatically released to them"*. The Internal revenue Allotment (IRA) as incorporated in the general appropriations law enacted annually by the legislature is the "just share" contemplated by the constitutional mandate. Therefore, it is clearly an indispensable component in the grant of meaningful and true fiscal autonomy to local government units. The non-accordance of these resources to the local government units covered by the last paragraph of Section 285 of the Local Government Code is thus not in accord with the operative principles of

decentralization contained in Section 3 therein and, fundamentally, with the express entitlement mandated by the constitution.

Barangay Poblacion B, located within the Municipality of Mlang Province of North Cotabato, is one such barangay excluded from a share in the IRA. It has a population of four thousand ninety seven (4,097) and a land area of 874,990 square meters, more or less. Having complied with the requisites prescribed under Section 386 of the Local Government Code and the plebiscite requirement contained in Section 10, Article X of the Constitution, it was created by the Provincial Government of North Cotabato, acting through Sangguniang Panlalawigan Ordinance No. 41 approved on April 25, 1994. Its corporate existence began in February 1996, when its first regular officials were elected, pursuant to Section 14 of the Local Government Code.

An entitlement to the IRA is an indispensable element and a constitutionally and lawfully ingrained component of the resources of any local government unit. In the case of a barangay, said entitlement becomes even more crucial as these most basic political subdivisions deliver the nations frontline response to the needs of the Filipino citizenry. It is appalling that the funding allocation of the baranagys created by Sanggunians is grossly incomparable to the IRA of the other existing baranagys created by law, thereby creating a disparate classification between these two classes of barangays.

To remedy this unfortunate situation embedding Barangay Poblacion B, Mlang Cotabato, the approval of this legislative measure is earnestly sought.

  
**JOSE "PINGPING" I. TEJADA**  
3<sup>rd</sup> District, Province of North Cotabato

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**AN ACT CREATING A BARANGAY TO BE KNOWN AS BARANGAY POBLACION B IN THE  
MUNICIPALITY OF MLANG, PROVINCE OF COTABATO**

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

1 **Section 1. Creation.** – Poblacion B in Barangay Poblacion Mlang, Cotabato, is hereby  
2 separated from Barangay Poblacion and constituted into a new Barangay to be known as  
3 Barangay Poblacion B in the Municipality of Mlang, Cotabato.  
4

5 **Section 2. Conduct and Supervision of Plebiscite.** – The plebiscite conducted and supervised  
6 by the Commission on Elections (COMELEC) in Barangay Poblacion pursuant to Ordinance  
7 No. 41 series of 1994 of the Sangguninag Panlalawigan of the Province of Cotabato which  
8 ratified the creation of Barangay Poblacion B as proclaimed by the Municipal Board of  
9 Canvassers on November 1995 shall serve as valid compliance with the plebiscite  
10 requirement under Section 10 of Republic Act 7160, otherwise known as "The Local  
11 Government Code of 1991", as amended  
12

13 **Section 3. Barangay Officials.** – The incumbent officials of Barangay Poblacion B shall  
14 continue to hold office until such time that their successors shall have been duly elected and  
15 qualified.  
16

17 **Section 4. Public Infrastructure and Facilities.** – All existing public infrastructure and facilities  
18 for public use existing therein at the time of the approval of this Act are hereby transferred  
19 without cost or compensation to and shall be administered by the new Baranagy.  
20

21 **Section 5. Internal Revenue Allotment (IRA).** – Barangay Poblacion B shall be entitled to  
22 Internal Revenue Allotment (IRA) shares pursuant to Section 285 of the Local Government  
23 Code of 1991.  
24

25 **Section 6. Effectivity.** – This Act shall take effect fifteen (15) days following its publication in  
26 the *Official Gazette* or in at least two (2) newspapers of general circulation.  
27

28 Approved.