

REPUBLIC OF THE PHILIPPINES)
SEVENTEENTH CONGRESS)
Second Regular Session)



HOUSE OF REPRESENTATIVES
House Bill No. 7380

Introduced by **Representative GERALDINE B. ROMAN**

**AN ACT CREATING LUZON INVESTMENT CORRIDOR AND THE
REGIONAL INVESTMENT AND INFRASTRUCTURE DEVELOPMENT
COUNCIL, AND FOR OTHER PURPOSES**

EXPLANATORY NOTE

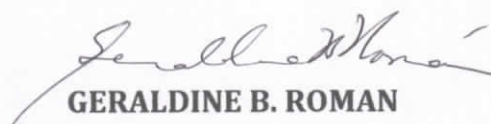
Under the Article II, Sec. 9 of the 1987 Constitution, the State is mandated to free its people from poverty through policies that promote full employment, a rising standard of living and an improved quality of life for all. Furthermore, the State is tasked to promote entrepreneurship and create job opportunities through efficient use of its resources. The duty of the State to fulfill this mandate cannot be underemphasized.

With key infrastructure assets such as the highway expansively connecting the bulk of the Luzon Island; seaports strategically located in Subic, Mariveles, Manila, and Batangas; and airports in Subic, Clark, and Manila; the island of Luzon may be said to be highly accessible. However, there arises the need to further utilize these assets to become catalysts of growth. If these assets were to be fully optimized, there can be far-reaching implications especially in agriculture, tourism and other vital industries.

Furthermore, the ease of doing business brought about by these infrastructures will redirect and disperse traffic of economic activities not only in Central Luzon but throughout the island. With the passage of this bill, an opportunity to decongest Metro Manila presents itself since new and better prospects will be made available to the people as well as businesses.

The State must not shy away from taking advantage of its ports and seaports in Luzon as international transportation hubs connecting the surrounding areas of Bataan, Bulacan, Pampanga, Nueva Ecija, Tarlac, and Zambales, for agricultural, industrial, tourism and other development. The cultivation of these areas bordering the highway and connecting to the airports and seaports must be encouraged as this will create opportunities and bring work to the workers that will promote a rising standard of living and an improved quality of life for all.

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


GERALDINE B. ROMAN

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Introduced by **Representative GERALDINE B. ROMAN**

**AN ACT CREATING THE LUZON INVESTMENT CORRIDOR AND THE REGIONAL
INVESTMENT AND INFRASTRUCTURE DEVELOPMENT COUNCIL, AND FOR
OTHER PURPOSES.**

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

1 SECTION 1. **Short Title.** –This Act shall be known as the Regional
2 Investment and Infrastructure Council Act of 2017.

3 Sec. 2. **Policy.** – It is hereby declared the policy of the state to promote
4 entrepreneurship and investments and encourage the creation of job and
5 business opportunities through strengthening and expanding the powers of
6 the Subic Bay Metropolitan Authority, the Clark Development Corporation, and
7 the Authority of the Freeport Area of Bataan, allowing them to develop other
8 Special Economic Zones in Luzon to optimize the one (1) connecting highway
9 and possible railway in Luzon, four (4) seaports in Subic, Mariveles, Manila, and
10 Batangas, and three (3) airports in Subic, Clark, and Manila, and for other
11 purposes.

12 Sec. 3. **Purposes.** – This Act shall have the following purposes:

13 (1) To promote entrepreneurship and investments and create job and
14 business opportunities;

(2) To optimize the one (1) connecting highway and possible railway in Luzon, four (4) seaports in Subic, Mariveles, Manila, and Batangas, and three (3) airports in Subic, Clark, and Manila;

(3) To encourage the local government units and the private sector to establish Special Economic Zones and provide incentives therefor;

(4) To develop enterprise initiative and foster national and local pride in the local government units and the private sector as collective stakeholders and pioneers for change in the development of the Subic Special Economic and Freeport Zone, the Clark Special Economic Zone, the Freeport Area of Bataan, and other Special Economic Zones by adhering to the principle of global competitiveness that encourages investments and businesses that are fast, friendly, flexible, and forward-looking;

(5) To decongest overcrowded areas by dispersing industries and populations to the Subic Special Economic and Freeport Zone, the Clark Special Economic Zone, the Freeport Area of Bataan, and other Special Economic Zones, and providing tax and fiscal incentives to business and individuals who relocate to the said areas; and

(6) To lessen dependency on the national government and make the local government units, the Subic Bay Metropolitan Authority, the Bases Conversion and Development Authority, the Clark Development Corporation, the Authority of the Freeport Area of Bataan, and other subsidiaries self-sustaining, income-generating, and revenue-contributing entities.

Sec. 4. *Regional Investment and Infrastructure Council.* – There is hereby created a Regional Investment and Infrastructure Council, hereinafter referred to as “RIIC”, to be composed of nine (9) members, to include: (i) the Chairman of the Subic Bay Metropolitan Authority, (ii) the Chairman of the Bases Conversion and Development Authority; (iii) the Chairman of the Clark

Development Corporation, (iv) the Chairman of the Authority of the Freeport Area of Bataan, (v) the Secretary of Trade and Industry, or his/her duly authorized representative, (vi) the Secretary of Public Works and Highways or his/her duly authorized representative, (vii) the Secretary of Environment and Natural Resources, or his/her duly authorized representative, (viii) the Secretary of Transportation and Communications, or his/her duly authorized representative, and (ix) the Secretary of Tourism, or his/her duly authorized representative. The RIIC shall be chaired by the Chairman of the Subic Bay Metropolitan Authority.

Sec. 5. ***Powers and Functions.*** – The RIIC shall each be vested with the following powers and functions:

(1) To prepare, adopt, and implement a comprehensive and detailed master plan, which includes zoning and urban planning, in consultation and coordination with the appropriate national agencies and the local government units, for the sound and balanced development of the zones, to promote the economic and social development of the local communities in particular and the country in general;

(2) To initiate and coordinate all development and infrastructure projects linking the four (4) seaports and three (3) airports mentioned hereinabove; Provided, that when necessary, the RIIC shall likewise handle the bidding of the projects under the unsolicited build-operate-transfer or build-operate-own schemes, or through solicited bids under applicable government procurement laws and/or the rules promulgated by the National Economic Development Authority;

(3) To grant and administer all fiscal and non-fiscal incentives available under the Foreign Investments Law, the Omnibus Investments Code, the

Philippine Economic Zone Act of 1995, and the Bases Conversion and Development Act of 1992;

(4) To accept any local or foreign investment, business or enterprise, subject only to such limitations as provided in the Constitution;

(5) To prioritize job creation;

(6) To prescribe a strike moratorium, if in the national interest;

(7) To maintain industrial peace and require earnest efforts toward a compromise in case of labor disputes where abuses by management and/or labor will be discouraged and dealt with;

(8) To generate its own revenues and be self-sustaining;

(9) To invest its funds and other assets;

(10) To construct, acquire, own, lease, operate, and maintain on its own or through contract, franchise, license permit, public-private partnership, build-operate-transfer or joint-venture the required utilities and infrastructure facilities, including additional roads, bridges, airports, seaport, railroads, subways, telecommunications and IT systems, water and power, and the like, and to fix just and reasonable rates, fares, charges and other prices therefor;

(11) To develop other Special Economic Zones in Luzon within the same legal framework and mechanisms as Republic Act No. 7916, as amended, or the Special Economic Zone Act of 1995;

(12) To manage and operate Special Economic Zones and other development programs and projects;

(13) To raise and borrow the necessary funds from local and international financial institutions and to issue bonds, promissory notes and other securities for that purpose and to secure the same by guarantee, pledge, mortgage, deed of trust or assignment of properties;

(14) To establish subsidiaries and serve as holding company of such subsidiaries;

(15) To enter into, make, perform and carry out contracts of every class, kind and description which are necessary or incidental to the realization of this Act with any person, firm or corporation, private or public, or with foreign government entities;

(16) To exercise the right of eminent domain;

(17) To adopt, implement and enforce ecological and environmental standards and measures for environmental pollution control and issue environmental compliance certificates;

(18) To provide, establish and accredit security and firefighting forces, and formulate and implement public safety measures to ensure safety and preserve peace and order;

(19) To establish by itself or in coordination with national and local government agencies one-shop shops for investors that promote fast, friendly, flexible and forward-looking business; and

(20) To promulgate rules and regulations and perform such other powers and functions as may be necessary, appropriate or incidental to this Act.

Sec. 5. Supervision. – The RIIC shall be under the general supervision of the Office of the President of the Philippines.

Sec. 6. Budget.– The RIIC shall be jointly funded by the Subic Bay Metropolitan Authority, the Bases Conversion and Development Authority, the Clark Development Corporation and the Authority of the Freeport Area of Bataan. Thereafter, it shall be funded by its own earnings or income.

120 Sec. 7. ***Exemption from the Salary Standardization Law.*** – The salaries
121 and benefits of employees of the RIIC, as well as those of the Subic Bay
122 Metropolitan Authority, the Bases Conversion and Development Authority, the
123 Clark Development Corporation, and the Authority of the Freeport Area of
124 Bataan shall be fixed by the Board of Directors and shall be exempt from
125 Republic Act No. 6758, as amended, or the Salary Standardization Law,
126 provided that the difference between the salaries prescribed in the Salary
127 Standardization Law and the salaries of employees in Subic Bay Metropolitan
128 Authority, the Bases Conversion and Development Authority, the Clark
129 Development Corporation, and the Authority of Freeport Area of Bataan fixed
130 by the Board of Directors shall be taken from the earnings of the Subic Bay
131 Metropolitan Authority, the Clark Development Corporation, and the Authority
132 of the Freeport Area of Bataan and not from the National Treasury.

133 Sec. 8. ***Legal Counsel.***– Without prejudice to the hiring of an outside
134 counsel, the Government Corporate Counsel shall be the *ex officio* legal
135 counsel of RIIC, including the Subic Bay Metropolitan Authority, the Bases
136 Conversion and Development Authority, the Clark Development Corporation,
137 and the Authority of the Freeport of Bataan. In the event that highly
138 specialized legal skills that cannot be provided for by the Office of the
139 Government Corporate Counsel are required, as may be determined by the
140 Subic Bay Metropolitan Authority, the Clark Development Corporation, and the
141 Authority of the Freeport Area of Bataan, the services of outside counsel,
142 whose compensation shall be approved by the Board of Directors, may be
143 engaged and no further consent or approval of the Office of the Government
144 Corporate Counsel shall be required.

146 Sec. 9.***Injunctions or Restraining Orders.***— The implementation of the
147 provisions of this Act is of national interest. Thus, no project, bidding and
148 undertaking in implementation of the provisions of this Act shall be restrained
149 or enjoined by an injunction or restraining order except by the Supreme Court
150 of the Philippines.

151 Sec. 10.***Repealing Clause*** .— All laws, decrees, orders, rules and
152 regulations or other issuances or parts thereof inconsistent with the provisions
153 of this Act, are hereby repealed or modified accordingly.

154 Sec. 11.***Separability Clause***. — If any portion or provision of this Act is
155 declared unconstitutional, the remainder of this Act or any provision not
156 affected thereby shall remain in force and effect.

157 Sec. 18.***Effectivity***. — This Act shall take effect after fifteen (15) days
158 following the completion of its publication either in the Official Gazette or in a
159 newspaper of general circulation in the Philippines.

Approved,