

REPUBLIC OF THE PHILIPPINES
HOUSE OF REPRESENTATIVES
Quezon City

SEVENTEENTH CONGRESS
Third Regular Session
8478
House Bill No. _____



Introduced by **MAGDALO Party-List Representative**
HON. GARY C. ALEJANO

EXPLANATORY NOTE

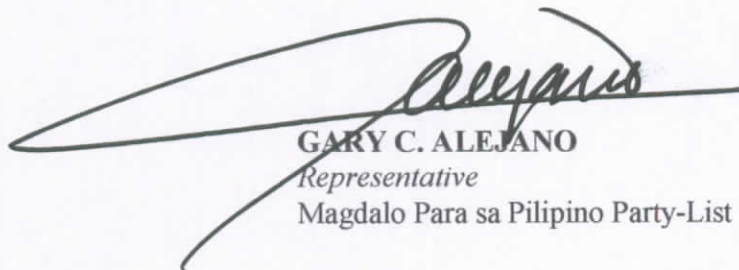
Republic Act No. 10121 or the "Philippine Disaster Risk Reduction and Management Act" was enacted in 2010 in order to uphold our constitutional right to life and property by addressing the root causes of vulnerabilities to disasters, strengthening the country's institutional capacity for disaster risk reduction and management and building the resilience of local communities to disasters including climate change impacts. Among the changes instituted by RA No. 10121 is the establishment of the Local Disaster Risk Reduction and Management Fund (LDRRMF).

The LDRRMF shall be used to support disaster risk management activities such as, but not limited to, pre-disaster preparedness programs including training, purchasing life-saving rescue equipment, supplies and medicines, for post-disaster activities, and for the payment of premiums on calamity insurance. Thirty percent (30%) of the LDRRMF shall be allocated as Quick Response Fund (QRF) or stand-by fund for relief and recovery programs in order that situation and living conditions of people in communities or areas stricken by disasters, calamities, epidemics, or complex emergencies, may be normalized as quickly as possible.

Due to our location, the Philippine archipelago is one of the most disaster-prone areas of the world, and is prone to an increasing risk from the impacts of more frequent and extreme climate-related events, such as severe storms, flooding or drought. Hence, the Quick Response Fund is quickly depleted and oftentimes, insufficient.

This proposed measure seeks to establish a Solidarity Fund in order to increase local capacity to build disaster resilience of communities and strengthen institutional mechanisms for the reduction of disaster risks and enhancement of preparedness and response capabilities at all levels.

In view of the foregoing, the immediate enactment of this measure is earnestly sought.



GARY C. ALEJANO
Representative
Magdalo Para sa Pilipino Party-List

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AN ACT
ESTABLISHING THE SOLIDARITY FUND OF THE LOCAL GOVERNMENT
UNITS FOR DISASTER RESPONSE AND RECOVERY

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

1 **SEC.1. Short Title.-** This Act shall be known as the Local Government Units (LGU)
2 Solidarity Fund for Disaster Response and Recovery Act.

3
4 **SEC.2. Declaration of Policy.-** It is the declared policy of the state to increase local
5 capacity to build disaster resilience of communities and to strengthen institutional mechanism
6 for the reduction of disaster risks and enhancement of preparedness and response capabilities
7 at all level.

8
9 **SEC.3 Solidarity Fund.-** A solidarity Fund will be held as a trust account in a
10 government bank. Disbursement from said fund will be subject to the issuance of a release
11 order of the supervisory board.

12
13 The supervisory board shall be composed of the following: Secretary of the
14 Department of Interior and Local Government, and representatives from the following: Union
15 of Local Authorities of the Philippines, League of Provinces of the Philippines, League of
16 Cities of the Philippines, League of Municipalities of the Philippines, and Liga ng mga
17 Barangay. They shall serve in an *ex-officio* capacity.

18
19 **SEC.4. Source of the Solidarity Fund.-** All Local Government Units are hereby
20 mandated to contribute point five percent (0.5%) of their total revenues taken from the Local
21 Disaster Risk Reduction and Management Fund (LDRRMF) other than the amount set aside
22 for the quick response fund.

23
24 Provided that an LGU who availed of the Solidarity Fund shall contribute one percent
25 (1%) of their LDRRMF for the next year.

26
27 Provided further, that the LGU shall revert to the point five percent (0.5%)
28 contribution if it did not avail of the solidarity fund for the previous year.

29

1 **SEC.5. Availment of the Solidarity Fund.-** In the event of a disaster, any affected
2 LGU can avail of the solidarity fund upon submission of both a local resolution declaring a
3 state of calamity and a certificate of exhaustion of the quick response fund.
4

5 The maximum payout arising out of any single disaster is 100 times of the LGU
6 contribution to be released in two equal tranches. The second tranche shall be released only
7 upon full liquidation of the first tranche released.
8

9 The maximum release shall not exceed 75% of the total solidarity fund. If the total
10 claims arising out of a single disaster should exceed 75% of the total solidarity fund, the pay-
11 out shall be pro-rated amongst the claimants.
12

13 **SEC.6. Insurance Premiums.-** The solidarity fund may be used to pay premiums for
14 securing catastrophic insurance for public infrastructures of LGUs.
15

16 **SEC.7. Use of the Fund.-** The Solidarity Fund shall be used exclusively for disaster
17 response and recoveries for LGUs and the payment of catastrophic insurance premiums.
18
19

20 **SEC.8. Separability Clause.-** If, for any reason, any section or provision of this Act is
21 held unconstitutional or invalid, such declaration shall not invalidate the other provisions.
22

23 **SEC.9. Repealing Clause.-** All laws, orders, issuances rules and regulations or parts
24 thereof inconsistent with any provisions of this Act are hereby repealed, modified or amended
25 accordingly.
26

27 **SEC. 10. Effectivity.-** This Act shall take effect after fifteen (15) days following the
28 completion of its publication either in the Official Gazette or in newspaper of general
29 circulation in the Philippines.

Approved,