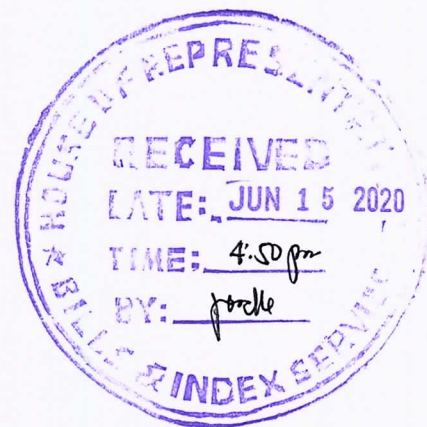




Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City, Metro Manila



Eighteenth Congress
Second Regular Session

HOUSE BILL NO. 6999

Introduced by **Representative AMIHILDA J. SANGCOPAN** of Anak
Mindanao (AMIN) Party-List

EXPLANATORY NOTE

This bill seeks to mandate local government units with indigenous cultural communities or indigenous people to appropriate one percent (1%) of their internal revenue allotment for the development of indigenous cultural communities and welfare of indigenous peoples.

It is undeniable that most indigenous cultural communities and indigenous peoples still lack accessibility to the basic services of government due to their geographical remoteness. Most of the indigenous peoples are illiterate caused by lack of access to education that leads to unemployment. Another problem that besets indigenous peoples is access to health care services, especially of pregnant indigenous women. The accessibility to, and delivery of, these basic services may be addressed by the one percent (1%) allocation from the internal revenue allotment of local government units. The local government unit which has jurisdiction over an indigenous cultural community is in the best position to extend the basic services to indigenous peoples. With the proposed one percent (1%) allocation, the plight of indigenous peoples as a disadvantaged sector may come to an end.

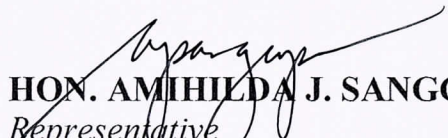
In the case of *Hermilando I. Mandanaset. al. vs. Executive Secretary Paquito N. Ochoa Jr. et. al.*, G.R. No. 199802, July 3, 2018, the Supreme Court ruled that the just share of local government units in the national taxes is not limited to taxes collected by the Bureau of Internal Revenue as enumerated under Section 21 of the National Internal Revenue Code. Rather, the base of the just share of local government units includes all national taxes collected by the national government such as the tariff and customs duties collected by the Bureau of Customs, and taxes collected from the exploitation and development of national wealth.

The above Supreme Court decision effectively increased the internal revenue allotment of local government units. The proposed one percent (1%) allocation for the development of indigenous cultural communities and welfare of indigenous peoples will therefore not affect the normal operations of local government units. This is a real opportunity for the local government units to uplift the lives of their constituents, including the lives of indigenous peoples.

However, to truly address the needs and concerns of the indigenous peoples, the local government units must coordinate with the indigenous peoples in determining the programs and projects that may be implemented for the indigenous peoples and their communities. The said coordination is consistent with the rights of the indigenous peoples to determine and decide their own priorities for development affecting their rights and beliefs sanctioned under Republic Act No. 8371, otherwise known as the "*Indigenous Peoples' Rights Act of 1997*."

The national government led by the National Commission on Indigenous Peoples is, undoubtedly, providing and implementing programs geared towards the promotion of the well-being of indigenous peoples. Even private entities are reported to provide and conduct social interventions for the indigenous peoples. But in spite of the national government programs and intervention of private entities, the indigenous peoples are still confronted by the lack of access to basic services. The one percent (1%) allocation, though may seem small, can definitely make a difference to the lives of the indigenous peoples.

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


HON. AMIHILDA J. SANGCOPAN
Representative
Anak Mindanao (AMIN) Party-List



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HOUSE BILL NO. 6999

Introduced by **Representative AMIHILDA J. SANGCOPAN** of Anak
Mindanao (AMIN) Party-List

AN ACT
MANDATING LOCAL GOVERNMENT UNITS WITH INDIGENOUS
CULTURAL COMMUNITIES OR INDIGENOUS PEOPLES TO
APPROPRIATE ONE PERCENT (1%) OF THEIR INTERNAL
REVENUE ALLOTMENT FOR THE DEVELOPMENT OF
INDIGENOUS CULTURAL COMMUNITIES AND WELFARE OF
INDIGENOUS PEOPLES, AMENDING FOR THE PURPOSE REPUBLIC
ACT NO. 7160, AS AMENDED, OTHERWISE KNOWN AS THE “LOCAL
GOVERNMENT CODE OF 1991”

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

SECTION 1. Section 287 of Republic Act No. 7160, as amended, is hereby amended to read as follows:

“SEC. 287. *Local Development Projects.*— Each local government unit shall appropriate in its annual budget no less than twenty percent (20%) of its annual internal revenue allotment for development projects.

**LOCAL GOVERNMENT UNITS WITH IDENTIFIED
INDIGENOUS CULTURAL COMMUNITIES OR
INDIGENOUS PEOPLES IN THEIR TERRITORY SHALL
ALSO APPROPRIATE IN THEIR ANNUAL BUDGET AT
LEAST ONE PERCENT (1%) OF THEIR ANNUAL
INTERNAL REVENUE ALLOTMENT FOR THE
DEVELOPMENT OF INDIGENOUS CULTURAL
COMMUNITIES AND WELFARE OF INDIGENOUS
PEOPLES IN THEIR AREA.**

**THE LOCAL GOVERNMENT UNITS SHALL
COORDINATE WITH THE INDIGENOUS CULTURAL
COMMUNITIES OR INDIGENOUS PEOPLES IN THEIR
AREAS TO DETERMINE THE PROGRAMS AND PROJECTS
WHICH THE COMMUNITY AND THE INDIGENOUS
PEOPLE MAY IMPLEMENTSUCH AS SUPPLY OF WATER
AND ELECTRICITY, EDUCATION, HEALTH, AND
INFRASTRUCTURE.**

Copies of the development plans of local government units shall
be furnished the Department of Interior and Local Government.”

SEC. 2. Within six (6) months from the effectivity of this Act, the Secretary
of Interior and Local Government, in coordination with the chairperson of the

National Commission on Indigenous Peoples, shall promulgate the rules and regulations implementing the provisions of this Act.

SEC. 3. This Act shall take effect fifteen (15) days after its publication in the *Official Gazette* or in a newspaper of general circulation.

Approved,