

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



HOUSE OF REPRESENTATIVE

H. B. No. 8939

Introduced by Rep. Vilma Santos-Recto
6th District of Batangas

AN ACT
ACCELERATING PUBLIC SECTOR INVESTMENTS IN LOCAL
INFRASTRUCTURE, ESTABLISHING FOR THE PURPOSE THE LOCAL BUILD,
BUILD, BUILD PROGRAM, PROVIDING FUNDS THEREFOR, AND FOR OTHER
PURPOSES

EXPLANATORY NOTE

Local governments perform a critical role in the delivery of basic social services and implementation of government programs and projects in the country. Under the prevailing policy regime, local government units (LGUs) have significant mandates on matters concerning agriculture, health, social welfare, public works, solid waste management, environment, local enterprise management, public order and safety, human settlements, tourism and even in disaster risk reduction and management. As such, the success of government plans, programs and projects, especially in the remote areas of the country, depends considerably on the capacity of the LGUs and the availability of infrastructure to effectively implement the laws and execute government interventions.

Despite the mandates imposed on local governments, the infrastructure system at the local level remains inadequate, if not absent. This, in turn, impairs the ability of local governments to effectively implement programs and projects within their respective jurisdictions.

This bill seeks to remedy this situation by accelerating public infrastructure spending at the grassroots level. This bill seeks to establish a Local Build, Build, Build Program as a national strategy for providing intensive public infrastructure investment in all provinces, cities, municipalities and barangays of the country. Under this proposed measure, the additional share of LGUs from the national taxes collected by the Bureau of Customs in accordance with the Supreme Court decision in *Mandanas vs. Executive Secretary*, G.R. No. 199802 shall be earmarked for local infrastructure projects, particularly those that boost local employment and tourism, raise agricultural productivity, manage health-related causes of mortality and morbidity, maintain public order and safety, reduce the actual and opportunity cost of doing business, and improve the delivery of basic social services.

The bill further mandates the release of the share of each province, city municipality, and barangay from the Program to their respective treasurer without need of any further action on a quarterly basis, and shall not be subject to any lien or holdback that may be imposed by the national government. It also facilitates the convergence of local government interventions and the cooperation among LGUs to ensure the enhancement of operational efficiency, effective utilization of public resources, realization of project outcomes, and strengthening of mechanisms for inter-local cooperation.

This intervention is conceived in cognizance of the indispensable role of local governments in the delivery of social services, and their potential for greater contribution to socioeconomic development and ultimately, nation-building.

In view of the foregoing, the swift passage of the proposed measure is earnestly sought.



VILMA SANTOS-RECTO

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

Sec. 1. *Short Title.* – This Act shall be known as the “*Local Build, Build, Build Program Act.*”

Sec. 2. *Declaration of Principles.* – It is hereby declared a policy of the State to promote genuine and meaningful local autonomy that empowers the territorial and political subdivisions of the State to attain fullest development as self-reliant communities and more effective partners in the realization of national objectives. In recognition of the role of provinces, cities, municipalities and barangays in governance, and in line with the objective of spurring inclusive economic development, the State shall establish mechanisms for providing additional resources for public infrastructure at the local level to boost local employment and tourism, raise agricultural productivity, manage health-related causes of mortality and morbidity, maintain public order and safety, reduce the actual and opportunity cost of doing business, and improve the delivery of basic social services.

Sec. 3. *Local Build, Build, Build Program.* – The Local Build, Build, Build, Program, hereinafter referred to as the Program, is hereby established as a national strategy for providing intensive public infrastructure investment at the local level.

Sec. 4. *Coverage.* – Any provision of the law to the contrary notwithstanding, this Act shall apply to all provinces, cities, municipalities, and barangays, including barangays created pursuant to Ordinances of the *Sangguniang Panlungsod* or *Sangguniang Panlalawigan*.

Sec. 5. *Infrastructure Projects.* – Infrastructure projects that may be funded under the Program shall include the construction, completion, upgrading, repair, rehabilitation, or improvement of the following:

- (a) Local Public Buildings and Other Infrastructure;
- (b) Local Roads and Bridges;
- (c) Local Drainage, Flood Mitigation and Flood Control Systems;
- (d) Local Transport Infrastructure;
- (e) Local Agricultural and Irrigation Facilities;
- (f) Local Educational Infrastructure;
- (g) Local Health Infrastructure;
- (h) Local Social Welfare Infrastructure;
- (i) Local Housing and Resettlement Projects;
- (j) Local Water Supply and Sanitation Infrastructure;
- (k) Local Solid Waste Management Infrastructure;
- (l) Local Jail and Prison Infrastructure;
- (m) Local Public Enterprise Infrastructure;
- (n) Local Electrification Infrastructure; and
- (o) Other infrastructure projects to be identified by the Department of the Interior and Local Government (DILG):

Provided, That the construction, completion, upgrading, repair, rehabilitation, or improvement of such infrastructure shall be complementary and supplementary to other similar undertaking of national government agencies and shall not be a duplication of or replacement for any existing programs and projects already implemented at the local level by any government agency or instrumentality including local government units.

Sec. 6. *Planning Requirement of Infrastructure Projects.* – Infrastructure projects to be undertaken under the Program shall be included in the Comprehensive Development Plan, Local Development and Investment Plan, and Annual Investment Program of the local government concerned.

Sec. 7. *Convergence of Local Build, Build, Build Projects and Activities.* – Within the framework of a comprehensive local development and consistent with the basic policy on local autonomy, the President of the Philippines shall exercise general supervision over LGUs in the implementation of the Program within their respective jurisdictions. The city and municipal governments shall, in the exercise of general supervision over component barangays, ensure that the projects to be implemented by their respective component barangays shall complement and converge seamlessly with their respective comprehensive city or municipal development plans.

Sec. 8. *Inter-Local Partnership and Cooperation.* – Local government units may, through appropriate ordinances, consolidate or coordinate their efforts, services, and resources in the implementation of projects under the Program to ensure the enhancement of operational efficiency, effective utilization of public resources, realization of project outcomes, and strengthening of mechanisms for inter-local cooperation. In support of such undertaking, the LGUs concerned may contribute funds, real estate, equipment, and other kinds of property and appoint or assign personnel under such terms and conditions as may be agreed upon by the participating LGUs through a Memorandum of Agreement.

Sec. 9. *Local Build, Build, Build Appropriations.* – The amount necessary for the implementation of the provisions of this Act shall be sourced from the share of LGUs from the national taxes collected by the Bureau of Customs based on the collection of the third fiscal year preceding the current fiscal year.

Sec. 10. *Allocation to Local Government Units.* – The share of each LGU in the appropriations as provided in Section 9 of this Act shall be in accordance with Section 285 of Republic Act 7160, as amended, otherwise known as the “*Local Government Code of 1991*.”

Sec. 11. *Automatic Release of Shares.* – The share of each local government unit in the Local Build, Build, Build Appropriations as provided in Section 9 of this Act shall be released, without need of any further action, directly to the provincial, city, municipal or barangay treasurer, as the case may be, on a quarterly basis within five (5) days after the end of each quarter, and which shall not be subject to any lien or holdback that may be imposed by the national government for whatever purpose.

Sec. 12. *Implementing Rules and Regulations.* – Within sixty (60) days from the effectivity of this Act, the DILG and the Department of Budget and Management shall, in coordination with the Department of Public Works and Highways, Department of Finance, League of Provinces, League of Cities, League of Municipalities, *Liga ng mga Barangay* and other government agencies concerned, jointly promulgate the rules and regulations to effectively implement the provisions of this Act.

Sec. 13. *Separability Clause.* – If any portion of this Act is declared invalid or unconstitutional, the portions or provisions which are not affected shall continue to be in full force and effect.

Sec. 14. *Repealing Clause.* – All laws, acts, decrees, executive orders, issuances, and rules and regulations or parts thereof which are contrary to and inconsistent with this Act are hereby repealed, amended or modified accordingly.

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

Approved,