

Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City

NINETEENTH CONGRESS
First Regular Session

HOUSE BILL NO. 1000



Introduced by: HON. ROSEMARIE C. PANOTES

EXPLANATORY NOTE

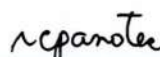
This bill seeks to convert existing capital towns of provinces without a city into a component city of a province.

When Republic Act No. 7160 otherwise known the Local Government Code of 1991 was enacted into law, the income requirement for the conversion of a municipality into a city was only Twenty million pesos (P20,000,000.00), which even included the Internal Revenue Allotment (IRA) shares, now National Tax Revenue Allotment (NTA), of municipalities. However, the Local Government Code of 1991 was amended by Republic Act No. 9009, the income requirement was significantly increased to One hundred million pesos (P100,000,000.00), which even excluded in the computation of income IRA shares of municipalities. It is worthy to emphasize that the income requirement for the creation of a highly urbanized city, or a province, remains at Fifty million pesos (P50,000,000.00) and Twenty million pesos (P20,000,000.00) respectively, including IRA shares, which is very much lower than that for the creation of a component city.

The capital towns, which have been considered as the face or reflection of provinces, are placed in a very disadvantageous position thereby hindering their progress and prosperity to the detriment of their constituents. There is an urgent therefore to find a way to help develop these unique local government units to propel the growth and development of these capital towns for the great benefit of the residents and the area.

It is important to note that this bill was approved at the Committee level during the Eighteenth Congress. However, due to lack of material time the dreams and aspirations of capital towns to be elevated to a city had been shattered albeit temporarily.

The foregoing reasons warrant the approval of this bill.


ROSEMARIE C. PANOTES
Representative
Second District, Camarines Norte

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HOUSE BILL NO. 1000

Introduced by: **HON. ROSEMARIE C. PANOTES**

AN ACT
CONVERTING EXISTING CAPITAL TOWNS OF PROVINCES WITHOUT A CITY INTO COMPONENT CITIES, AMENDING FOR THE PURPOSE SECTION 450 OF REPUBLIC ACT NO. 7160, AS AMENDED, OTHERWISE KNOWN AS THE LOCAL GOVERNMENT CODE OF 1991

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

SECTION 1. Section 450 of Republic Act No. 7160, as amended by Republic Act No. 9009, otherwise known as the Local Government Code of 1991, is hereby further amended to read as follows:

“SECTION 450. *Requisites for Creation.* – (a) A municipality or a cluster of barangays may be converted into a component city if it has a locally generated average annual income, as certified by the Department of Finance, of at least One hundred million pesos (P100,000,000.00) for the last two (2) consecutive years based on 2000 constant prices, and if it has either of the following requisites:

(i) A contiguous territory of at least one hundred (100) square kilometres, as certified by the Land Management Bureau;

(ii) A population of not less than one hundred fifty thousand (150,000) inhabitants, as certified by the [National Statistics Office] PHILIPPINE STATISTICS AUTHORITY (PSA):

Provided, That, the creation thereof shall not reduce the land area, population, and income of the original unit or units at the time of said creation to less than the minimum requirements prescribed herein.

(b) The territorial jurisdiction of the newly-created city shall be properly identified b metes and bounds. The requirement on land area shall not apply where the city proposed to be created is composed of one (1) more islands. The territory need not be contiguous if it comprises two (2) or more islands.

(c) The average annual income shall include the income accruing to

PROVIDED, FURTHER, THAT, THE REQUISITES PRESCRIBED UNDER THIS SECTION TO THE CONTRARY NOTWITHSTANDING, EXISTING CAPITAL TOWNS OF PROVINCES WITHOUT A CITY ARE HEREBY CONVERTED INTO COMPONENT CITIES UPON APPROVAL BY A MAJORITY OF THE VOTES CAST IN A PLEBISCITE TO BE HELD IN THE SAID CAPITAL TOWNS."

SEC. 2. The Commission on Election (COMELEC) shall conduct and supervise the plebiscite within One hundred twenty (120) days after the effectivity of this Act.

The expenses for such plebiscites shall be borne by said capital towns.

SEC. 3. All laws, decrees, executive orders, rules and regulations which are inconsistent with this Act are hereby amended or repealed accordingly.

SEC. 4. This Act shall take effect fifteen (15) days after its publication in the Official Gazette or in a newspaper of general circulation.

Approved,