

Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City

Nineteenth Congress
First Regular Session

HOUSE BILL NO. 1402



Introduced by Rep. Bernadette Herrera-Dy

AN ACT TRANSFERRING SELECTED NATIONAL GOVERNMENT AGENCIES
AND GOVERNMENT OWNED AND CONTROLLED CORPORATIONS TO NEW
CLARK CITY, PAMPANGA

Explanatory Note

A study conducted by the Japan International Cooperation Agency in 2014 showed that traffic congestion in National Capital Region resulted in losses of at least 2.4 billion pesos a day and could reach six billion pesos if not solved. In 2015, the Philippines ranked fifth among countries with the worst traffic conditions in a crowd-sourcing survey. While in 2016, the American Chamber of Commerce even claimed that National Capital Region (NCR) may be inhabitable in the next few years due to its traffic mess. This goes to show that the traffic problem in the Philippines should be taken seriously and the government must take proactive measures in decongesting National Capital Region as it is negatively affecting the country's productivity and sustainability.

Under President Duterte's Build-Build-Build Program in relation to the Bases Conversion and Development Authority (BCDA) in 2016, New Clark City was introduced. It is a carefully master planned community that is strategically located in Central Luzon and said to be the next big metropolis.

The New Clark City is also projected to add USD 30.94 Billion to the country's gross domestic product upon the city's completion. This 9,450-hectare development has even set aside 1,514 hectares particularly for a district of government offices and its attached agencies. Originally for the government's satellite offices, however; it is only

reasonable to utilize the land in order to solve traffic woes of a jammed National Capital Region. Initiatives to transfer selected government agencies to another location other than the NCR has been a discussion for decades. With today's worsening traffic conditions, the government should step up in finding ways to make our cities livable for our citizens. As a duty to serve the people, the government should lead in using its resources for traffic decongestion and regional development.

As of August 2017, the total number of government personnel in NCR is 522,340. This is based on Inventory of Government Human Resources by the Civil Service Commission. 334,825 are career service professionals, 58,311 are non-career, and 129,204 are with Job Orders or Contracts of Service. With these numbers, the transfer of government offices will give due consideration to its personnel and the agencies' official mandate. As the government ensures the benefit of its people, the government will also give careful attention to the staff that committed their service for the people.

It is the government responsibility to provide efficient government services and to make efforts towards development. The transfer of selected national government agencies and government owned and controlled corporations are seen to contribute to the country's economy and overall competence. With due consideration of all its stakeholders, this measure is duly recommended.

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



BERNADETTE HERRERA-DY

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HOUSE BILL NO. **1402**

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AN ACT TRANSFERRING SELECTED NATIONAL GOVERNMENT AGENCIES AND
GOVERNMENT OWNED AND CONTROLLED CORPORATIONS TO NEW CLARK
CITY, PAMPANGA

SECTION 1.Short Title: This Act shall be known as the "New Clark City Government District Act."

SECTION 2.Declaration of Policy: It is hereby declared the policy of the state to ensure efficient government services,through steady development of its infrastructure and improvement of service delivery. Thus, it is imperative for the government to make necessary measures to provide smooth operation of government processes and to ease congestion in its capital. This will be done through the transfer of selected national government agencies and government owned and controlled corporations that can still deliver its mandate regardless of its location, and their regional and local offices can function independently in National Capital Region.

SECTION 3. Transfer ofNational Government Agencies (NGA) and Government Owned and Controlled Corporations (GOCCs): Selected Central Offices ofNational Government Agencies (NGAs) and Government Owned and Controlled Corporations (GOCCs)that are located in National Capital Region(NCR) shall take measures to transfer to New Clark City. The non-critical functions of these NGAs and GOCCs,

such as, but not limited to, personnel, transportation, accounting, payroll, human resources, among others, shall be prioritized in the transfer. The NGAs and GOCCs shall ensure that only services catering to front-line public needs shall remain within the NCR in various satellite offices. These agencies and corporations should be fully functioning in New Clark City within one (1) years after the approval of the Implementing Rules and Regulations, unless stated otherwise, and as approved by the Commission under Section 8 of this Act.

SECTION 4. Selected National Government Agencies (NGA) and Government Owned and Controlled Corporations (GOCCs). In the interest of decongesting the capital for improved government service delivery, the following are relevant agencies and corporations that are located in National Capital Region are subject for transfer to the New Clark City and by approval of the Commission under Section 8 of this Act. It is the responsibility of these Heads of Departments and Agencies to assist the Commission in identifying which services shall transfer to the New Clark City, and which frontline services shall remain within the National Capital Region.

A. National Government Agencies

1. CIVIL SERVICE COMMISSION
2. COMMISSION ON APPOINTMENTS
3. COMMISSION ON AUDIT
4. COMMISSION ON ELECTIONS
5. COMMISSION ON HUMAN RIGHTS OF THE PHILIPPINES
6. DEPARTMENT OF AGRARIAN REFORM
7. DEPARTMENT OF AGRICULTURE
8. DEPARTMENT OF BUDGET AND MANAGEMENT
9. DEPARTMENT OF EDUCATION
10. DEPARTMENT OF ENERGY
11. DEPARTMENT OF ENVIRONMENT AND NATURAL RESOURCES
12. DEPARTMENT OF FINANCE
13. DEPARTMENT OF HEALTH
14. DEPARTMENT OF INFORMATION AND COMMUNICATION TECHNOLOGY
15. DEPARTMENT OF JUSTICE
16. DEPARTMENT OF LABOR AND EMPLOYMENT

17. DEPARTMENT OF NATIONAL DEFENSE
18. DEPARTMENT OF PUBLIC WORKS AND HIGHWAYS
19. DEPARTMENT OF SCIENCE AND TECHNOLOGY
20. DEPARTMENT OF SOCIAL WELFARE AND DEVELOPMENT
21. DEPARTMENT OF TRADE AND INDUSTRY
22. NATIONAL ECONOMIC AND DEVELOPMENT AUTHORITY

B. Government Owned and Controlled Corporations

1. BANGKO SENTRAL NG PILIPINAS
2. CREDIT INFORMATION CORPORATION
3. HOME GUARANTY CORPORATION
4. HOME DEVELOPMENT MUTUAL FUND
5. DEVELOPMENT ACADEMY OF THE PHILIPPINES
6. NATIONAL ELECTRIFICATION ADMINISTRATION
7. NATIONAL TRANSMISSION CORPORATION
8. NATIONAL POWER CORPORATION
9. NATIONAL HOME MORTGAGE FINANCE CORPORATION
10. NATIONAL TOBACCO ADMINISTRATION
11. NATIONAL IRRIGATION ADMINISTRATION
12. NATIONAL HOUSING AUTHORITY
13. OVERSEAS WORKERS WELFARE ADMINISTRATION
14. PHILIPPINE NATIONAL OIL COMPANY
15. PHILIPPINE EXPORT-IMPORT CREDIT AGENCY
16. PHILIPPINE DEPOSIT INSURANCE CORPORATION
17. PHILIPPINE COCONUT AUTHORITY
18. PHILIPPINE CHARITY SWEEPSTAKES OFFICE
19. PHILIPPINE SUGAR CORPORATION
20. PHILIPPINE CENTER FOR ECONOMIC DEVELOPMENT
21. PEOPLE'S TELEVISION NETWORK, INCORPORATED
22. POWER SECTOR ASSETS AND LIABILITIES MANAGEMENT
23. TOURISM PROMOTIONS BOARD

- 24. TOURISM INFRASTRUCTURE AND ENTERPRISE
- 25. SMALL BUSINESS GUARANTEE AND FINANCE CORPORATION
- 26. QUEDAN AND RURAL CREDIT GUARANTEE CORPORATION
- 27. SOCIAL SECURITY SYSTEM

SECTION 5. Employee Benefits upon Transfer. Government employees employed before the agreed upon transition and transfer of their respective offices to New Clark City are subject to the following:

- a) Option to follow a four-day work week upon transition of office to New Clark City, under the guidance of existing labor laws and standards.
- b) Free transportation coasters/buses to New Clark City from a local pick-up point in National Capital Region.
- c) Low-cost and/or long-term payment options for housing of families of government employees in New Clark City.

Previously acquired standard and specific-purpose allowances, agreements, and benefits of government employees upon original employment will be upheld despite transfer.

SECTION 6. Government Employee Options. The following are other options for government employees that will not transfer to New Clark City:

- a) Option to be transferred to attached agencies and offices of their respective agencies, within National Capital Region
- b) An option for a special voluntary severance package, other than that provided in RA 6683
- c) Exemption for certain GSIS pension requirements, amending Section II (1) of PD1146 or the Government Service Insurance System, for the early separation of government employees because of the transfer under this Act.

SECTION 7. Incentives for Transferred Government Employees. Employees transferred to New Clark City within the prescribed period are subjected to special bonuses and incentives for compliance through its inclusion in the annual General Appropriations Act.

SECTION 8. Establishment of a Transitory Commission. A Transitory Commission, composed of representatives from the Civil Service Commission, Bases Conversion Development Authority, Department of Budget and Management, Department of Transportation, and National Housing Authority will be established upon effectivity of this Act. The Transitory Commission will have the following functions:

- a) Serve as oversight committee for transferring and transitioning agencies and corporations
- b) Determine capabilities of selected agencies and corporations to transfer to New Clark City and prescribe measures to continue or dismiss from transfer
- c) Develop and approve necessary transfer and transition requirements and conditions of government agencies and corporations. These include possible modes of transfer, safety measures, and labor standards.

SECTION 9. Fund Sources. The amounts necessary to be implemented under this Act shall be funded as follows:

- a) For national government agencies, the shall be charged against the 2019 General Appropriations Act. Thus, the needed amounts must be included in the annual General Appropriations Act.
- b) For Government Owned and Controlled Corporations, the amounts shall come from their respective corporate funds in the corporate operation budgets as approved by the DBM.

Section 10. Implementing Rules and Regulations. Within ninety (90) days from the effectivity of this Act, the Commission, in consultation with appropriate government agencies and other stakeholders, shall promulgate the necessary rules and regulations to implement this Act.

Section 11. Separability Clause. If, for any reason or reasons, any part of the provision of this Act shall be held to be unconstitutional or invalid, other parts or provisions hereof which are not affected thereby shall continue to be in full force and effect.

Section 12. Repealing Clause. All laws, decrees, orders, rules, and regulations, or parts thereof, inconsistent with the provisions of this Act are hereby repealed, amended, or modified accordingly.

Section 13. Effectivity Clause. This Act shall take effect after fifteen (15) days following its publication in the Official Gazette and at least two (2) newspapers of general circulation.

Approved,