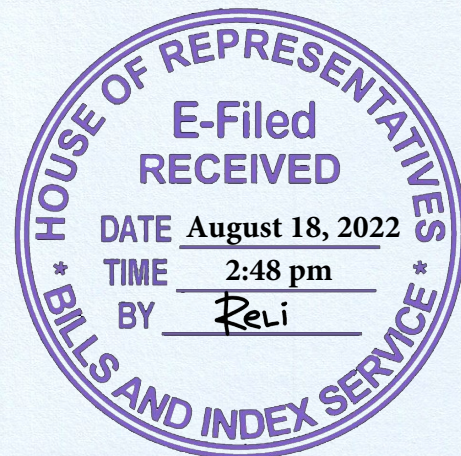


Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City

NINETEENTH CONGRESS
First Regular Session

HOUSE BILL NO. 3831



Introduced by Representative Rex Gatchalian

AN ACT
ESTABLISHING A BUSINESS PERMIT AND LICENSING OFFICE IN EVERY CITY
OR MUNICIPALITY IN THE COUNTRY

EXPLANATORY NOTE

The Philippines is the 13th most populated country in the world and is ranked 39th in terms of nominal GDP per the International Monetary Fund (IMF) outlook for the years 2019 to 2023. However, the country only placed 95th in the Doing Business 2020, a World Bank Group flagship report which provides objective measures of business regulations and their enforcement across 190 economies and selected cities at the subnational and regional level.

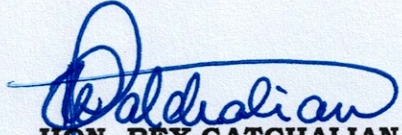
Of the nine doing business indicators, the country performed the poorest in terms of starting a business indicator. In 2018, Republic Act No. 11032 otherwise known as the "Ease of Doing Business and Efficient Government Service Delivery Act of 2018" was enacted to improve government transactions through the adoption of simplified requirements and procedures that will reduce red tape and expedite business and non-business related transactions in the government.

Through the creation of a Business Permit and Licensing Office in every local government unit in the country, this bill aims to address this longstanding problem which had kept the country from realizing its full economic potential.

An intensified effort from the national government as well as in the local sphere will result in a more vibrant and thriving economic atmosphere conducive to growth and confidence. The growth at every level of government shall ultimately

translate into an increase in decent employment opportunities for all and efficient delivery of government services which will benefit the nation as a whole.

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



HON. REX GATCHALIAN
Representative
1st District, Valenzuela City

Republic of the Philippines
HOUSE OF REPRESENTATIVES

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HOUSE BILL NO. 3831

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

1 SECTION 1. **Short Title.** – This act shall be known as the “*Business Permit*
2 *and Licensing Office Act*”.

3
4 SEC. 2. **Declaration of Policy.** – It shall be the policy of the State to
5 constantly improve the delivery of front line services of government, promote and
6 establish policies to ensure ease of doing business, as well as simplify systems,
7 structures, and procedures in the issuance of business permits and licenses.

8
9 SEC. 3. **Creation of a Business Permit and Licensing Office.** – There is
10 hereby created a Business Permits and Licensing Office, hereinafter referred to as
11 the Office, in every city or municipality, which shall, among others, handle the
12 issuance of business permits and licenses as well as formulate and implement
13 policies and proactive measure to increase local employment, draw local and foreign
14 investments, and increase local revenues.

15
16 SEC. 4. **Powers, Duties and Functions.** – The Office shall be responsible
17 for the following:

18
19 (A) Processing of business permits and licenses as well as occupational
20 permits, including the assessment of business taxes, fees, and charges of the various
21 businesses in the city or municipality. Provided, however, that all assessments are
22 subject to the authority of the local treasurer to conduct examination of books of

1 accounts as well as all other authorities as provided in the Local Government Code
2 (LGC);

3
4 (B) Monitoring and enforcement of the applicable tax ordinances and other
5 pertinent laws, ordinances, rules and regulations in the operations of businesses and
6 occupations within the jurisdiction of the city or municipality;

7
8 (C) Formulation of policies as a proactive measure to draw local and foreign
9 investments especially in priority areas/industries and as a tool to define the
10 development thrust of the city or municipality;

11
12 (D) Initiate, review and recommend to the Mayor revenue-generating
13 measures to increase local revenues;

14
15 (E) Enforcement of the city's or municipality's Tax Ordinance and other
16 pertinent laws, ordinances, and rules and regulations;

17
18 (F) Sit as a member of the Local Finance Committee, Local Investment
19 Board and such other bodies as the Mayor shall identify; and

20
21 (G) Perform such other function as may be provided by law.
22

23 SEC. 5. ***Appointment of the Chief, BPLO.*** – The Office shall be headed by
24 a chief, with the rank and salary of a Department Head. The chief shall be qualified
25 by the Promotion Board of the LGU. The position of Chief, BPLO, shall henceforth be
26 included under the mandatory appointive local officials common to all municipalities,
27 cities and provinces under Book III, Title Five of Republic Act No. 7160 otherwise
28 known as the *Local Government Code*.

29
30 SEC. 6. ***Composition and Office Structure.*** – The Office shall be composed
31 of four (4) principal divisions, namely:

32
33 (A) *Administrative Division* – This division is tasked to handle the
34 administrative function of the Investments and Business Permits and Licensing
35 Office (IBPLO);

1 (B) *Business Permits and Licensing/Occupational Permits Division* – This
2 division shall act on all applications for business and/or mayor’s permits and
3 occupational permits as required under applicable law, ordinance, rules and
4 regulations;

5
6 (C) *Investments Division* – This division is tasked to craft policies which
7 shall increase local investments in the local government in coordination with
8 concerned offices;

9
10 (D) *Inspection Division* – This division shall handle the technical function
11 of the Office through:

12
13 (i) Tax mapping and regular inspections of all business
14 establishment existing and/or operating within the territorial
15 jurisdiction of the LGU;

16
17 (ii) Issue and/or implement necessary notices and/or orders to the
18 concerned establishments; and

19
20 (iii) Perform such other matters and functions that may be assigned
21 by the Chief, BPLO.

22
23 SEC. 7. ***Staffing Pattern.*** – For purposes of the creation of the Office,
24 officers and employees of the city or municipality holding permanent appointments
25 shall be given preference for appointment to the new positions created. All other
26 personnel currently employed in this office shall be prioritized by the Promotion
27 Board, provided they are eligible and qualified for such position.

28
29 No new employees shall be taken in until all permanent employees have been
30 appointed, including temporary and casual employees who possess the necessary
31 qualification requirements, among which is the appropriate civil service eligibility,
32 for permanent positions.

33
34 The Office shall determine its organizational structure and create new
35 divisions or units as it may deem necessary, and shall appoint officers and employees
36 in accordance with the Civil Service Law, rules and regulations.

1
2 SEC. 8. **Appropriation.** – The corresponding appropriations shall be
3 charged against any available funds in the Annual Budget of the LGU. The
4 corresponding appropriations therefor shall be incorporated in all succeeding annual
5 executive budgets in years thereafter.
6

7 SEC. 9. **Implementing Rules and Regulations.** – The Office, in
8 coordination with concerned offices in the local government unit and in consultation
9 with the stakeholders shall, within ninety (90) days from the effectivity of this Act,
10 issue the necessary rules and regulations for the effective implementation of this Act.
11

12 SEC. 10. **Separability Clause.** – If any part or provision of this Act is held
13 unconstitutional or invalid, the other parts or provision hereof which are not affected
14 thereby shall continue to be in full force and effect.
15

16 SEC. 11. **Repealing Clause.** – All laws, rules, and regulations, presidential
17 decrees, letters of instruction and other presidential issuances which are
18 incompatible or inconsistent with the provisions of this Act are hereby repealed
19 amended, or modified accordingly.
20

21 SEC. 12. **Effectivity Clause.** – This Act shall take effect thirty (30) days after
22 its publication in the *Official Gazette* or in a newspaper of general circulation.
23

24 Approved,