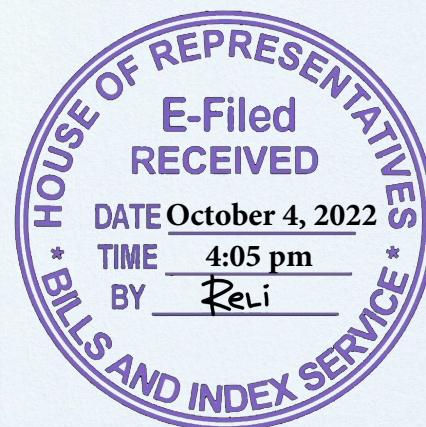


Republic of the Philippines
HOUSE OF REPRESENTATIVES

NINETEENTH CONGRESS
First Regular Session

HOUSE BILL NO. 5408



Introduced by Honorable Rex Gatchalian

AN ACT
EXPANDING THE APPLICATION OF THE LOCAL DISASTER RISK REDUCTION
AND MANAGEMENT FUND BY AMENDING REPUBLIC ACT NO. 10121,
OTHERWISE KNOWN AS THE PHILIPPINE DISASTER RISK REDUCTION AND
MANAGEMENT ACT OF 2010

EXPLANATORY NOTE

The Constitution has mandated the autonomy of local government units (LGUs) from the national government¹ for the former to have more power, authority, responsibilities, and resources and be more responsive and accountable to its constituents.² Republic Act (RA) No. 10121, otherwise known as the Philippine Disaster Risk Reduction and Management Act, has given LGUs a more active role in disaster prevention and mitigation, preparedness, response, and rehabilitation. It likewise transformed local calamity funds into the Local Disaster Risk Reduction and Management Fund (LDRRMF), which can be utilized for projects and programs that enhance disaster preparedness and mitigate the effects of calamities.³

This bill seeks to expand the utilization of the LDRRMF in two (2) ways: *first*, by expanding the scope of infrastructure projects covered; and *second*, by including therein the hiring of personnel. This bill also seeks to shorten the period when the unused LDRRMF shall accrue to a special trust fund.

¹ 1987 CONST., § 25, art. II.

² LOC. GOV. CODE, § 2.

³ Thirty percent (30%) of the LDRRMF goes to the Quick Response Fund (QRF), which is a stand-by fund for relief and recovery programs to improve the living conditions of people in communities or areas stricken by disasters, calamities, epidemics, or complex emergencies. The remaining general LDRRMF or the seventy percent (70%) is allocated for disaster prevention and mitigation, preparedness, response, and rehabilitation and recovery.

First, RA No. 10121 is not specific about the provision of the general LDRRMF (i.e., 70% of the LDRRMF allocation) for construction or infrastructure projects. Nonetheless, the National Disaster Risk Reduction and Management Council (NDRRMC), Department of Interior and Local Government, Department of Budget and Management, and Civil Service Commission Joint Memorandum Circular No. 2012-1 (JMC No. 2013-1) provides that the general LDRRMF may be used for the construction of dams and embankments that will reduce or mitigate flood risks. This bill expands the scope of infrastructure projects that may be implemented as long as it is certified by the NDRRMC to be necessary for mitigating and reducing the effects of disasters and institutionalizes it in the law.

As for post-disaster rehabilitation and recovery, there is a provision under the general LDRRMF for the construction or rehabilitation of damaged infrastructure facilities and evacuation centers. However, all projects and activities charged against the general LDRRMF must be incorporated into the Local Disaster Risk Reduction and Management Plan (LDRRMP) and Annual Investment Plan.⁴ This route entails a drawn-out process before funding for rehabilitation may be had. The use of QRF (i.e., 30% of the LDRRMF allocation) is clearly more expeditious and responsive route since it only requires a declaration that the locality is under a state of calamity either by the local *sanggunian* or the President. Nonetheless, since the law and regulations give discretion to the local *sanggunian* on what specifically they could approve, numerous obligations (incurred by local disaster risk reduction and management offices in times of disaster) that could have been chargeable to the QRF had been disapproved. This bill seeks to rectify this issue by providing that the LDRMMF, including the QRF, may be used to pay for whatever obligations the LGU may incur in the reconstruction, repair, and rehabilitation of major infrastructure damaged by disaster.

Second, under existing laws and rules and regulations, the use of LDRRMF is restricted to “pre-disaster preparedness programs including training purchasing life-saving rescue equipment, supplies, and medicines, for post-disaster activities, and for the payment of premiums on calamity insurance,”⁵ other maintenance and operating expenditures, and other capital outlay requirements of the Local Disaster Risk Reduction and Management Offices (LDRRMO) in the implementation of

⁴ NDRRMC, DILG, DBM, and CSC JMC No. 2013-1, 25 March 2013, ¶ 6.3.

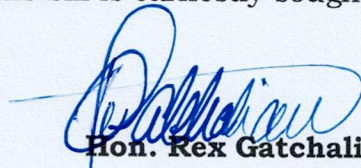
⁵ Rep. Act No. 10121, § 21.

disaster risk reduction and management programs.⁶ The budgetary requirements for personal services and other related expenses of the LDRRMO must be sourced from the limited general fund of the LGU.⁷ The only exception is hiring personnel in times of calamity. Here, the QRF may be utilized to answer for payment of salaries.⁸ However, the appointees must be project-based, generally for a period not exceeding six (6) months.

To ensure the continuity of the LDRRMO's services to the citizens – from disaster prevention and mitigation to rehabilitation and recovery – it should have the express power to appoint or hire competent and suitably trained direct rescue and response personnel to serve the needs of the LGU. However, to ensure that the LDRRMF will still be maximized for disaster preparedness programs, the expenditure for personal services should be capped at thirty percent (30%) of the general LDRRMF.

Third, unexpended LDRRMF accrues to a special trust fund every five (5) years which may only be utilized for disaster risk reduction and management.⁹ The period should be shortened for the LDRRMO to be more responsive by repurposing the fund according to the current needs of its citizens. Furthermore, the law and guidelines are unclear regarding how the special trust fund should be allocated. To eliminate the confusion, this bill provides that whether the unexpended fund is from the general LDRRMF, quick response fund, or both, it shall revert to the general LDRRMF after three (3) years. This way, the LDRRMO would have more flexibility in allocating its special trust fund. The period for the reversion of the unexpended special trust fund to the general fund for other social services shall also be shortened to three (3) years.

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


Hon. Rex Gatchalian
Representative
1st District of Valenzuela

⁶ NDRRMC, DILG, DBM, and CSC JMC No. 2014-1, 4 April 2014, ¶ 4.

⁷ *Id.*

⁸ Rep. Act No. 10121, § 21.

⁹ *Id.*

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MANAGEMENT ACT OF 2010

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

1 **SECTION. 1.** Section 12 of Republic Act (RA) No. 10121 is hereby amended
2 to read as follows:

3
4 Section 12. *Local Disaster Risk Reduction and Management*
5 *Office (LDRRMO).* –

6
7 (a) There shall be established an LDRRMO in every province,
8 city and municipality, and a Barangay Disaster Risk Reduction and
9 Management Committee (BDRRMC) in every barangay which shall
10 be responsible for setting the direction, development,
11 implementation and coordination of disaster risk management
12 programs within their territorial jurisdiction.

13
14 (b) The LDRRMO shall be under the office of the governor, city
15 or municipal mayor, and the punong barangay in case of the
16 BDRRMC. The LDRRMOs shall be initially organized and composed
17 of a DRRMO to be assisted by three (3) staff responsible for: (1)
18 administration and training; (2) research and planning; and (3)
19 operations and warning. The LDRRMOs and the BDRRMCs shall
20 organize, train and directly supervise the local emergency response

1 teams and the ACDVs.

2
3 (c) The provincial, city and municipal DRRMOs or BDRRMCs
4 shall perform the following functions with impartiality given the
5 emerging challenges brought by disasters of our times:
6

7 (1) Design, program, and coordinate disaster risk reduction and
8 management activities consistent with the National Council's
9 standards and guidelines;

10 xxx

11
12 **(25) APPOINT OR HIRE COMPETENT AND SUITABLY-**
13 **TRAINED DIRECT RESCUE AND RESPONSE PERSONNEL**
14 **WITHIN THEIR RESPECTIVE JURISDICTIONS THAT SHALL BE**
15 **ADEQUATE IN NUMBER TO SERVE THE NEEDS OF THE LOCAL**
16 **GOVERNMENT UNIT IN TIMES OF CALAMITY AND DISASTER:**
17 **PROVIDED, THAT THE APPOINTED PERSONNEL SHALL ALSO**
18 **SERVE IN THE IMPLEMENTATION OF THE LGU'S DISASTER**
19 **RISK REDUCTION AND MANAGEMENT PROGRAMS;**
20

21 ~~(25)~~ **(26)** Act on other matters that may be authorized by the
22 LDRRMC.
23

24 (d) The BDRRMC shall be a regular committee of the existing
25 BDC and shall be subject thereto. The punong barangay shall
26 facilitate and ensure the participation of at least two (2) CSO
27 representatives from existing and active community-based people's
28 organizations representing the most vulnerable and marginalized
29 groups in the barangay.
30

31 **SEC. 2.** Section 21 of Republic Act (RA) No. 10121 is hereby amended to read
32 as follows:
33

34 Sec. 21. - *Local Disaster Risk Reduction and Management Fund*
35 *(LDRRMF)*. - The present Local Calamity Fund shall henceforth be
36 known as the Local Disaster Risk Reduction and Management Fund

(LDRRMF). Not less than five percent (5%) of the estimated revenue from regular sources shall be set aside as the LDRRMF to support disaster risk management activities such as, but not limited to, pre-disaster preparedness programs including training, purchasing life-saving rescue equipment, supplies and medicines, for post-disaster activities, **CONSTRUCTION OF INFRASTRUCTURE PROJECTS CERTIFIED BY THE NATIONAL DISASTER RISK REDUCTION AND MANAGEMENT COUNCIL AS NECESSARY IN MITIGATING AND REDUCING THE EFFECTS OF DISASTERS**, and for the payment of premiums on calamity insurance. **THE LDRRMF MAY ALSO BE USED TO PAY FOR WHATEVER OBLIGATIONS THE LOCAL GOVERNMENT INCURRED IN THE RECONSTRUCTION, REPAIR, AND REHABILITATION OF MAJOR INFRASTRUCTURE DAMAGED BY DISASTERS.** The LDRRMC shall monitor and evaluate the use and disbursement of the LDRRMF based on the LDRRMP as incorporated in the local development plans and annual work and financial plan. Upon the recommendation of the LDRRMO and approval of the sanggunian concerned, the LDRRMC may transfer the said fund to support disaster risk reduction work of other LDRRMCs which are declared under state of calamity.

Of the amount appropriated for LDRRMF, thirty percent (30%) shall be allocated as Quick Response Fund (QRF) or stand-by fund for relief and recovery programs in order that situation and living conditions of people in communities or areas stricken by disasters, calamities, epidemics, or complex emergencies, may be normalized as quickly as possible.

THE LDRRMF SHALL BE LIABLE FOR THE SALARIES, WAGES, AND BENEFITS OF ALL APPOINTED RESCUE AND RESPONSE PERSONNEL BY THE LOCAL DISASTER RISK REDUCTION AND MANAGEMENT OFFICE FALLING UNDER SECTION 12, PARAGRAPH (C), SUB-PARAGRAPH (25): PROVIDED, THAT THE TOTAL EXPENDITURE FOR PERSONAL SERVICES SHALL NOT EXCEED THIRTY PERCENT (30%).

1 Unexpended LDRRMF **WITHIN THE GIVEN YEAR** shall accrue
2 to a special trust fund solely for the purpose of supporting disaster
3 risk reduction and management activities of the LDRRMCs within
4 the next ~~five (5)~~ **THREE (3)** years: **PROVIDED, THAT WHETHER**
5 **THE UNEXPENDED FUND IS FROM THE GENERAL LDRRMF,**
6 **THE QUICK RESPONSE FUND, OR BOTH, IT SHALL REVERT**
7 **BACK TO THE GENERAL LDRRMF.**

8
9 Any such amount still not fully utilized after ~~five (5)~~ **THREE (3)**
10 years shall revert back to the general fund and will be available for
11 other social services to be identified by the local sanggunian.
12

13 **SEC. 3. Separability Clause.** – If for any reason, any part, section, or provision
14 of this Act is held invalid or unconstitutional, the remaining provisions not affected
15 thereby shall continue to be in full force and effect.
16

17 **SEC. 4. Repealing Clause.** – All laws, decrees, executive orders,
18 proclamations, rules and regulations, and other issuances, or parts thereof which
19 are inconsistent with the provisions of this Act are hereby repealed, amended, or
20 modified accordingly.
21

22 **SEC. 5. Effectivity Clause.** – This Act shall take effect fifteen (15) days after
23 its publication in the *Official Gazette* or a newspaper of general circulation.

Approved,