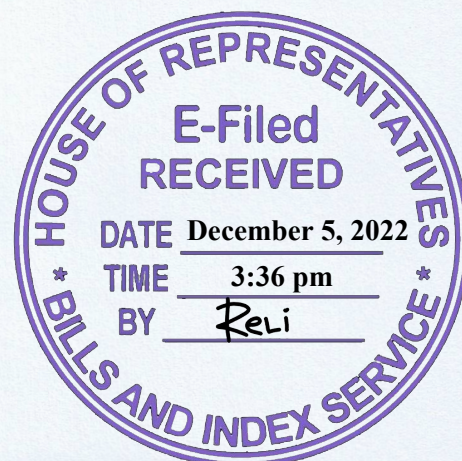


Republic of the Philippines
HOUSE OF REPRESENTATIVES

NINETEENTH CONGRESS

First Regular Session

HOUSE BILL NO. 6495



Introduced by Representative Rex Gatchalian

AN ACT

EXTENDING THE POWER OF THE PRESIDENT TO DECLARE HIGHLY URBANIZED CITY STATUS TO MUNICIPALITIES, AMENDING FOR THE PURPOSE SECTIONS 452 AND 453 OF THE REPUBLIC ACT NO. 7160, AS AMENDED, OTHERWISE KNOWN AS THE "LOCAL GOVERNMENT CODE OF 1991"

EXPLANATORY NOTE

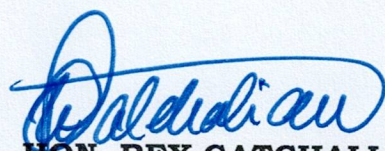
The Local Government Code of 1991 was signed into law on 1991. This Code transferred control and responsibility of delivering basic services in the hands of local government units (LGU). It also enumerates the different local government political units, and the requirements for its creation and conversion.

When the Code was crafted, it envisioned for the natural progression of barangays turning into municipality, municipality into cities, and cities being declared as highly urbanized city (HUC). It failed to foresee the possibility of rapid economic growth by several municipalities. In 2021, there were a number of municipalities that were able to come at par, or even performed better, in terms of its economic growth vis-à-vis some of the currently existing highly urbanized cities, these are what we can regard as, "Mega Municipalities". Most of these mega municipalities have long remained as a municipality despite their fiscal stature because of the long, tedious, and very political process of legislation in order to be converted into a city.

One good example is the Municipality of Carmona that was reported to have generated 767 million pesos from local sources, which is an amount way higher than the required income set in the Local Government Code for the President to declare it as an HUC. Unfortunately, the present law requires Carmona to first undergo through the legislative procedure of being declared a city, and undertake the process of applying to the Office of the President to be declared as a highly urbanized city. This two-layered process requires two sets of plebiscite – which the National Government must spend for.

The legislative intent of this measure is to extend the power of the President, upon application of the municipality, to declare highly urbanized city status to municipalities that have qualified in terms of income and population. The rationale in streamlining the process is to provide an efficient legislative process in the conversion of municipalities to HUCs without the unnecessary cost that entails in holding a second plebiscite but without prejudice to compliance to the requirements set by law for conversion into an HUC.

In view of the foregoing considerations, approval 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. 6495

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AN ACT
EXTENDING THE POWER OF THE PRESIDENT TO DECLARE HIGHLY
URBANIZED STATUS TO MUNICIPALITIES, AMENDING FOR THE
PURPOSE SECTIONS 452 AND 453 OF THE 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:

1 **SECTION 1.** Section 452 of Republic Act (RA) No. 7160, otherwise
2 known as the "Local Government Code of 1991", as amended, is hereby
3 amended as follows:
4

5 **"Section. 452. Highly Urbanized Cities. -**

6 (a) Cities **OR MUNICIPALITIES** with a minimum population of
7 two hundred thousand (200,000) inhabitants, as certified by
8 the [~~National Statistics Office~~] **PHILIPPINE STATISTICS**
9 **OFFICE**, and with the latest annual income of at least Fifty
10 Million Pesos (Php50,000,000.00) based on 1991 constant
11 prices, as certified by the city treasurer, shall be classified as
12 highly urbanized cities."
13

14 **SEC. 2.** Section 453 of Republic Act (RA) No. 7160, as amended, is
15 hereby amended as follows:
16

17 **"Section. 453. Duty to Declare Highly Urbanized Status. -** It
18 shall be the duty of the President to declare a city **OR**
19 **MUNICIPALITY** as highly urbanized within thirty (30) days after
20 it shall have met the minimum requirements prescribed in the
21 immediately preceding section, upon proper application therefor
22 and ratification in a plebiscite by the qualified voters therein."
23

24 **SEC. 3. Repealing Clause. -** Sections 452 and 453 of Republic Act No.
25 7160, otherwise known as the Local Government Code of 1991, as amended,

1 is hereby amended. All laws, presidential decrees, executive orders,
2 presidential proclamations, rules and regulations or parts thereof contrary to
3 or inconsistent with this Act are hereby repealed, superseded or modified
4 accordingly.

5
6 **SEC. 4. Effectivity.** – This Act shall take effect fifteen (15) days after
7 its complete publication in the Official Gazette or in at least two (2)
8 newspapers of general circulation.

9
Approved,