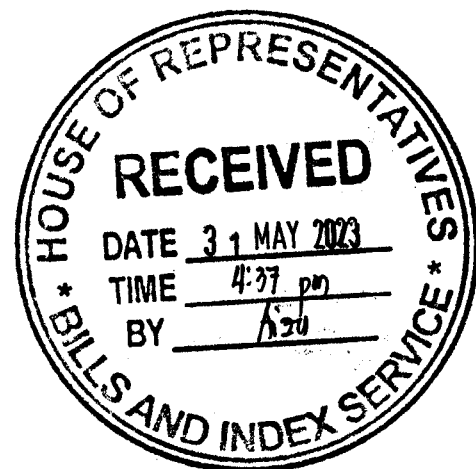


Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City, Metro Manila

NINETEENTH CONGRESS
First Regular Session

HOUSE BILL NO. 8493



Introduced by Representative Eduardo Roa Rama Jr.

EXPLANATORY NOTE

Barangays serve as the most basic local government unit among those established under Republic Act 7160, otherwise known as the Local Government Code of 1991, as they primarily provide services to the community directly. As such they serve one of the most vital roles in public service within the apparatus of the state government, the aforementioned code provides that the barangay is the “primary planning and implementing unit of government policies, plans, programs, projects, and activities in the community, as a forum wherein the collective views of people may be expressed, crystallized, and considered and where disputes may be amicably settled.” Undeniably, the governance of our barangays play a vital role in nation building.

The barangays are thus crucial partners in guiding economic growth and development in the country as a whole, as they assist the national government in identifying areas of concern, improvement and areas of potential. Moreover, the value that barangay officials bring towards the conceptualization and implementation of national government initiatives cannot be gainsaid due to their insight and understanding of their respective jurisdictions. Unfortunately, despite this, they have not been properly granted the appropriate compensation, benefits, and incentives that they deserve based on the current cost of living.

This bill seeks to provide for a regularization and compensation scheme for the Punong Barangay, Sangguniang Barangay members, Barangay Treasurer and Barangay Secretary, and a provision of honoraria and allowances to the members of the Lupon Tagapamayapa and Barangay Tanods. Additionally, a barangay gratuity fund will be created which shall be used to fund the government’s share in the retirement gratuity of barangay tanods and members of the Lupon ng Tagapamayapa.

This well-meaning and imperative legislative measure was originally filed by then 1st district, Valenzuela City, Representative Rexlon “Rex” T. Gatchalian, who is now serves as the Department of Social Welfare and Development (DSWD) Secretary.

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



EDUARDO ROA RAMA JR.

Republic of the Philippines
HOUSE OF REPRESENTATIVES
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NINETEENTH CONGRESS
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HOUSE BILL NO. 8493

Introduced by Representative Eduardo Roa Rama Jr.

**AN ACT STRENGTHENING THE BARANGAY AS THE BASIC LOCAL
GOVERNMENT UNIT BY INCREASING ITS CAPACITY TO DELIVER
SERVICES, PROVIDING SALARY GRADES, RETIREMENT BENEFITS, OTHER
ENTITLEMENTS OF CERTAIN BARANGAY OFFICIALS, AND OTHER
PURPOSES, AMENDING FOR THIS PURPOSE REPUBLIC ACT NO. 7160,
OTHERWISE KNOWN AS THE LOCAL GOVERNMENT CODE OF 1991, AND
OTHER RELATED LAWS**

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

1 SECTION 1. A new Section 389-A shall be inserted in Republic Act No. 7160,
2 otherwise known as the "Local Government Code of 1991" (RA 7160) to read as follows:

3 **"SECTION 389-A. COMPENSATION AND BENEFITS OF THE PUNONG**
4 **BARANGAY. – THE PUNONG BARANGAY SHALL BE CONSIDERED A**
5 **REGULAR GOVERNMENT EMPLOYEE, ENTITLED TO THE FIXED**
6 **RATE OF AT LEAST SALARY GRADE TWELVE (12-A) UNDER THE**
7 **SALARY STANDARDIZATION LAW, AS AMENDED, AND SHALL**
8 **HENCEFORTH BE ENTITLED TO ALL THE BENEFITS PROVIDED BY**
9 **THE GOVERNMENT WHICH SHALL INCLUDE BUT NOT LIMITED TO**
10 **SALARIES, ALLOWANCES, BENEFITS AND INCENTIVES APPLICABLE**
11 **TO ALL GOVERNMENT PERSONNEL."**

12 **SEC. 2. A new Section 391-A shall be inserted in RA 7160 to read as follows:**

13 **"SECTION 391-A. COMPENSATION AND BENEFITS OF THE MEMBERS**
14 **OF THE SANGGUNIANG BARANGAY. – THE MEMBERS OF THE**

1 SANGGUNIANG BARANGAY SHALL BE CONSIDERED AS REGULAR
2 GOVERNMENT EMPLOYEES, ENTITLED TO THE FIXED RATE OF AT
3 LEAST SALARY GRADE TEN (SG-10) UNDER THE SALARY
4 STANDARDIZATION LAW, AS AMENDED, AND SHALL HENCEFORTH
5 BE ENTITLED TO ALL THE BENEFITS PROVIDED BY THE
6 GOVERNMENT WHICH SHALL INCLUDE BUT NOT BE LIMITED TO
7 SALARIES, ALLOWANCES, BENEFITS AND INCENTIVES APPLICABLE
8 TO ALL GOVERNMENT PERSONNEL.”

9 SEC. 2. A new Section 391-A shall be inserted in RA 7160 to read as follows:

10 “SECTION 391-A. COMPENSATION AND BENEFITS OF THE MEMBERS
11 OF THE SANGGUNIANG BARANGAY. – THE MEMBERS OF THE
12 SANGGUNIANG BARANGAY SHALL BE CONSIDERED AS REGULAR
13 GOVERNMENT EMPLOYEES, ENTITLED TO THE FIXED RATE OF AT
14 LEAST SALARY GRADE TEN (SG-10) UNDER THE SALARY
15 STANDARDIZATION LAW, AS AMENDED, AND SHALL HENCEFORTH
16 BE ENTITLED TO ALL THE BENEFITS PROVIDED BY THE
17 GOVERNMENT WHICH SHALL INCLUDE BUT NOT LIMITED TO
18 SALARIES, ALLOWANCES, BENEFITS AND INCENTIVES APPLICABLE
19 TO ALL GOVERNMENT PERSONNEL. “

20 SEC. 3. Section 393 of RA 7160 is hereby amended to read as follows:

21 Section 393. Benefits of ~~[Barangay Officials]~~ MEMBERS OF THE LUPON
22 TAGAPAMAYAPA AND BARANGAY TANODS. –

23 (a) ~~[Barangay officials, including]~~ Barangay tanods and members of the lupong
24 tagapamayapa, shall receive honoraria, allowances, and such other emoluments as
25 may be authorized by law or barangay, municipal city or city ordinance in accordance
26 with the provisions of this Code, but in no case shall it be less than [One] TWO
27 thousand pesos [(P1,000.00)] (P2,000.000) per month ~~{for the punong barangay and~~
28 ~~Six hundred pesos (P600.000) per month {for the punong barangay and Six hundred~~
29 ~~pesos (P600.00) per month for the sangguniang barangay members, barangay~~

~~treasurer, and barangay secretary~~: Provided, however, That the annual appropriations for personal services shall be subject to the budgetary limitations prescribed under Title Five, Book II of this Code;

(b) [The punong barangay, the sangguniang barangay members, the barangay treasurer, and the barangay secretary] **THE BARANGAY TANODS AND MEMBERS OF THE LUPON TAGAPAMAYAPA** shall also:

(1) Be entitled to Christmas bonus of ~~{at least One thousand pesos (P1,000.00 each)}~~ **TWO THOUSAND PESOS (P2,000.00)**, the funds for which shall be taken from the general fund of the barangay or from such other funds appropriated by the national government for the purpose;

(2) xxx

(d) xxx

(E) BE ENTITLED TO A LUMP SUM RETIREMENT GRATUITY PAY EQUIVALENT TO ONE (1) YEAR HONORARIUM TO BE TAKEN FROM THE BARANGAY RETIREMENT GRATUITY FUND, AS MENTIONED IN SECTION 9 OF THIS ACT: PROVIDED, HOWEVER, THAT A RETIREE IS AT LEAST SIXTY (60) YEARS OF AGE WITH A MINIMUM OF NINE (9) YEARS IN SERVICE AT THE TIME OF THE RETIREMENT;

SEC. 4. A new Sec. 394-A shall be inserted in RA 7160 to read as follows:

“SECTION 394-A. COMPENSATION AND TERM OF OFFICE OF THE BARANGAY SECRETARY. – THE BARANGAY SECRETARY SHALL BE CONSIDERED AS A REGULAR GOVERNMENT EMPLOYEE AND ENTITLED TO THE FIXED RATE OF AT LEAST SALARY GRADE EIGHT (SG-8) UNDER THE SALARY STANDARDIZATION LAW, AS AMENDED.

THE BARANGAY SECRETARY SHALL BE COTERMINUS WITH THE APPOINTING AUTHORITY UNLESS SOONER REMOVED FOR CAUSE, FOUND TO HAVE FAILED FROM THE DISCHARGE OF HIS OR HER DUTIES, OR HAS COMMITTED ABUSE OF AUTHORITY AS

1 STIPULATED IN EXISTING LAWS PERTAINING TO THE CONDUCT OF
2 PUBLIC OFFICIALS, THROUGH A MAJORITY VOTE OF ALL THE
3 MEMBERS OF THE SANGGUNIANG BARANGAY IN A REGULAR OR
4 SPECIAL ASSEMBLY CALLED FOR THE PURPOSE.”

5 SEC. 5. Section 395 of RA 7160 is hereby amended to read as follows:

6 Sec. 395. Barangay Treasurer: Appointment, Qualifications, Powers and Duties. –

7 (a) The barangay treasurer shall be appointed by the punong barangay with the
8 concurrence of the majority of all the sangguniang barangay members. ~~{The~~
9 ~~appointment of the barangay treasurer shall not be subject to attestation by the Civil~~
10 ~~Service Commission.}~~

11 (b) xxx

12 SEC. 6. A new Sec. 395-A shall be inserted in RA 7160 to read as follows:

13 SECTION 395-A. COMPENSATION AND TERM OF OFFICE OF
14 BARANGAY TREASURER. – THE BARANGAY TREASURER SHALL BE
15 CONSIDERED AS A REGULAR GOVERNMENT EMPLOYEE AND
16 ENTITLED TO THE FIXED RATE OF AT LEAST SALARY GRADE 8
17 UNDER THE SALARY STANDARDIZATION LAW.

18 THE BARANGAY TREASURER SHALL BE COTERMINUS WITH THE
19 APPOINTING AUTHORITY UNLESS SOONER REMOVED FOR CAUSE
20 FOUND TO HAVE FAILED FROM THE DISCHARGE OF HIS OR HER
21 DUTIES, OR HAS COMMITTED ABUSE OF AUTHORITY AS
22 STIPULATED IN EXISTING LAWS PERTAINING TO THE CONDUCT OF
23 PUBLIC OFFICIALS, THROUGH A MAJORITY VOTE OF ALL THE
24 MEMBERS OF THE SANGGUNIANG BARANGAY IN A REGULAR OR
25 SPECIAL ASSEMBLY CALLED FOR THE PURPOSE.

26 SEC. 7. Creation of Barangay Retirement Gratuity Fund (BRGF). – The Barangay
27 Retirement Gratuity Fund is hereby created which shall be used to fund the government’s share
28 in the retirement gratuity of barangay tanods and members of the Lupon ng Tagapamayapa, as

mentioned in this Act. This amount equivalent to one percent (1%) of the share of the national government under Section 284 of the Local Government Code of 1991, as amended, shall be earmarked, set-aside and used for this purpose.

The Department of the Interior and Local Government (DILG) shall administer and ensure the appropriate disbursement of the fund.

SEC. 8. *Capacity Development and Enhancement Program for Barangay Officials.*

– The DILG, through the Local Government Academy (LGA) shall develop capacity development and enhancement programs for the Punong Barangays, Members of the Sangguniang Barangay, Barangay Secretaries, Barangay Treasurers, Barangay Tanods, and Members of the Lupon Tagapamayapa.

The Department of Finance (DOF), through the Bureau of Local Government Finance (BLGF), shall assist in the development of programs for Barangay Treasures, and the Department of Justice (DOJ) shall assist in the development of programs for Barangay Tanods and Members of the Lupon Tagapamayapa.

The Programs shall develop comprehensive training manuals, and based thereon, conduct the trainings necessary and appropriate to ensure the professionalization of the aforementioned barangay officials, for the efficient delivery of services at the barangay level.

SEC. 9. *Income Classification of Barangays.* – The DOF, through the BLGF, shall formulate an income classification of barangays based on locally generated average annual income for the last two (2) consecutive years based on 2000 constant prices. The average annual income shall include the income accruing to the general fund, exclusive of special funds, transfers and non-recurring income.

Based on this income classification, the DILG and the Department of Budget and Management (DBM) shall issue the necessary rules and regulations on the annual appropriations for the newly created salary grades, honoraria and allowances of the identified officials under this Act.

1 **SEC. 10. Implementing Rules and Regulations (IRR)** – The DBM, in coordination
2 with the Government Service Insurance System (GSIS), the DILG, the DOJ, and the DOF shall
3 issue the necessary rules and regulations to implement this Act.

4 **SEC. 11. Funding Source.** – The amount necessary for the implementation of this Act
5 shall be charged against the respective funds of both the Barangay and the City of Municipality
6 which it is part of. Local government units which do not have adequate or sufficient funds shall
7 be assisted by the National Government.

8 **SEC. 12. Applicability Clause.** – The provisions of this Act shall be applicable to the
9 barangay elected and appointed officials identified under this Act, after the next barangay elections
10 following the approval of this enactment of this Act.

11 **SEC. 13. Separability Clause** – If any provision or part of this Act is held invalid or
12 unconstitutional, the remaining parts or provisions not affected shall remain in full force and
13 effect.

14 **SEC. 14. Repealing Clause.** – All laws, executive orders, presidential decrees or
15 issuances, letters of instruction, administrative orders, rules, and regulations as well as local
16 ordinances contrary to or inconsistent with the provisions of this Act are hereby repealed,
17 amended, or modified accordingly.

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