

Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City

TWENTIETH CONGRESS
First Regular Session

HOUSE BILL No. 1867



Introduced By: REPRESENTATIVE ROSEMARIE CONEJOS PANOTES

EXPLANATORY NOTE

Executive Order No. 64, dated August 2, 2024, entitled, “**UPDATING THE SALARY SCHEDULE FOR CIVILIAN GOVERNMENT PERSONNEL AND AUTHORIZING THE GRANT OF AN ADDITIONAL ALLOWANCE AND FOR OTHER PURPOSES**” provides for salary increases or adjustments and additional allowance for all civilian government personnel.

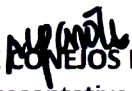
In issuing this Executive Order, President Ferdinand “Bongbong” Romualdez Marcos has in mind the prevailing economic conditions of all government workers, including those employed in local government units, due to the erosion of the purchasing power of our currency that led to the skyrocketing of prices of commodities. For which reason, this Executive issuance provides for the retroactive effectivity, to at least, alleviate the plight of our government workers.

It is unfortunate however, that, while all civilian government personnel will enjoy the retroactive effectivity of the increase from January 1, 2024 as mandated under Section 6 of said Executive Order, the employees of local government units will be excluded from such benefit primarily due to the express prohibition under Section 325 (g) of Republic Act No. 7160, as amended, otherwise known as the Local Government Code of 1991, which provides, as follows:

“(g) The creation of new positions and salary increases or adjustments shall in no case be made retroactive; xxx”

There is a need therefore to remove this barrier by amending this restrictive provision in the Local Government of 1991 thereby allowing the employees of local government units to enjoy the salary adjustment effective January 1, 2024 to together with all civilian government personnel.

The foregoing reasons warrant the approval of this important piece of legislation.


ROSEMARIE CONEJOS PANOTES
Representative
Second District, Camarines Norte

Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City

TWENTIETH CONGRESS
First Regular Session
HOUSE BILL No. 1867

Introduced By: REPRESENTATIVE ROSEMARIE CONEJOS PANOTES

AN ACT
PROVIDING FOR THE RETROACTIVE APPLICATION OF SALARY INCREASES OR ADJUSTMENTS, AND
ADDITIONAL ALLOWANCE FOR CIVILIAN GOVERNMENT PERSONNEL AS PROVIDED UNDER EXECUTIVE
ORDER NO. 64, SERIES OF 2024, AMENDING FOR THE PURPOSE SECTION 325 (g) OF 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:*

SECTION 1. Section 325 (g) of Republic Act No. 7160, as amended, otherwise known as the Local
Government Code of 1991 is hereby amended to read as follows:

“SECTION 325. General Limitations. – The use of the provincial, city and municipal funds shall be
subject to the following limitations:

(a) xxx	xxx	xxx
xxx	xxx	xxx

(g) The creation of new positions and salary increases or adjustments shall in no case be made
retroactive, EXCEPT WHEN THE NATIONAL GOVERNMENT, BY LAW OR EXECUTIVE ORDER, ALLOWS SUCH
RETROACTIVE EFFECTIVITY; xxx”

XXX	XXX	XXX”
-----	-----	------

SECTION 2. The Department of Budget and Management (DBM) shall issue the necessary rules
and regulations to implement this Act.

SECTION 3. The retroactive effectivity of the salary increases or adjustments and additional
allowance as provided under Executive Order No. 64, Series of 2024, shall also apply to officials and
employees of local government units.

SECTION 4. This Act shall take effect fifteen (15) days after its publication in the Official Gazette
or in a newspaper of general circulation.

Approved,