



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

TWENTIETH CONGRESS
First Regular Session

HOUSE BILL NO. 5372



Introduced by **Representative EDUARDO R. RAMA JR.**

EXPLANATORY NOTE

Under the Local Government Code, barangays serve as the primary frontliners responsible for delivering essential services directly to their communities. They play a pivotal role in formulating and enforcing ordinances that promote peace, order, and public safety at the grassroots level. Despite this critical function as the closest unit of government to the people, barangay officials are currently compensated only through honoraria, allowances, and other emoluments specifically authorized by law. They do not receive regular monthly salaries nor enjoy the standard government-mandated benefits typically granted to other government employees.

Recognizing the significant contributions and vital responsibilities of barangay officials in local governance, this bill aims to establish a barangay retirement fund. Institutionalizing such a fund will provide these officials with financial security and post-service benefits, acknowledging their public service and promoting stability and motivation within barangay leadership.

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

REP. EDUARDO R. RAMA JR.

2nd District, City of Cebu



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AN ACT PROVIDING ALL BARANGAY OFFICIALS, INCLUDING BARANGAY TANODS, MEMBERS OF THE LUPONG TAGAPAMAYAPA, BARANGAY HEALTH WORKERS AND BARANGAY DAY CARE WORKERS, A LUMP SUM RETIREMENT PAY EQUIVALENT TO ONE (1) YEAR HONORARIUM, AMENDING FOR THE PURPOSE SECTION 393 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:

1 **SECTION 1.** Section 393 of Republic Act No. 7160, as amended, otherwise known as
2 "The Local Government Code of 1991 ", is hereby amended to read as follows:

3
4 "Sec. 393. Benefits of Barangay Officials. — (a) Barangay officials, including barangay
5 tanods and members of the Lupong Tagapamayapa, shall receive honoraria, allowances, and such
6 other emoluments as may be authorized by law or barangay, municipal or city ordinance in
7 accordance with the provisions of this Code, but in no case shall it be less than One Thousand
8 Pesos (P 1,000.00) per month for the punong barangay, and Six Hundred Pesos (P600.00) per
9 month for the sangguniang barangay members, barangay treasurer, and barangay secretary:
10 *Provided, however,* That the annual appropriations for personal services shall be subject to the
11 budgetary limitations prescribed under the Title Five, Book II of this Code.

12 "b" x x x

13 "(1) x x x

14 "(2) x x x

1 “(3) BE ENTITLED TO A LUMP SUM RETIREMENT PAY EQUIVALENT TO
2 ONE (1) YEAR HONORARIUM WHICH SHALL NO CASE EXCEED ONE HUNDRED
3 THOUSAND PESOS (P100,000.00) TO BE TAKEN FROM THE BARANGAY
4 RETIREMENT FUND; *PROVIDED*, THAT A RETIRIEE IS AT LEAST (60) YEARS OF
5 AGE WITH A MINIMUM OF NINE (9) YEARS IN SERVICE AT THE TIME OF HIS/HER
6 RETIREMENT.

7 "THE TERM "RETIREE" SHALL INCLUDE ALL BARANGAY OFFICIALS,
8 BARANGAY TANODS, MEMBERS OF THE LUPONG TAGAPAMAYAPA, BARANGAY
9 HEALTH WORKERS AND BARANGAY DAY CARE WORKERS.

10
11 [(3)] (4) xxx

12 [(4)] (5) xxx

13 [(5)] (6) xxx

14 (c) xxx

15 (d) xxx
16

17 **SECTION 2. *Barangay Retirement Fund Created.*** — There is hereby created a Barangay
18 Retirement Fund which shall serve to fund the retirement of Barangay official members mentioned
19 in the proceeding paragraph. The amount equivalent to one percent (1%) of the share of the
20 national government under Section 284 of the Local Government Code of 1991 , as amended,
21 shall be used for this purpose.
22

23 **SECTION 3. . *Implementing Rules and Regulations.*** The Department of Budget and
24 Management, in coordination with the DILG, shall formulate the necessary rules and regulations
25 for the effective implementation of this Act.
26

27 **SECTION 4. *Separability Clause.*** If any provisions of this Act is declared invalid or
28 unconstitutional, the other provisions not affected thereby shall remain valid and subsisting.

29 **SECTION 5. *Repealing Clause.*** All acts, executive orders, memorandum circulars/
30 guidelines and other issuances or parts thereof, which are inconsistent with this Act, are hereby
31 repealed or modified accordingly.
32
33

1 **SECTION 6. Effectivity.** This Act shall take effect fifteen (15) days after its publication
2 in the Official Gazette or in a newspaper of general circulation.

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4 Approved,