

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

TWENTIETH CONGRESS
First Regular Session

HOUSE BILL NO. **5511**



Introduced by **Rep. WOWO FORTES**

EXPLANATORY NOTE

Republic Act No. 7160, otherwise known as the Local Government Code of 1991, establishes mandatory and optional offices and positions in provinces, cities, and municipalities, and defines their respective duties and functions. These offices are designed to assist the Local Chief Executives in effectively managing the affairs of local government units (LGUs).

However, despite the critical role of human resource management and business permitting in ensuring the efficient delivery of public services, the Code does not expressly mandate the creation of a Human Resource Management Officer (HRMO) and a Business Permit and Licensing Officer (BPLO) in LGUs.

As the first link between the government and the public, the LGU's personnel are the most valuable asset of any local government. A dedicated HRMO should be established to handle the full spectrum of HR functions, including recruitment, career development, rewards and incentives, performance management, discipline, employee relations, and other aspects of personnel administration.

On the other hand, the BPLO is essential in fostering a conducive business environment, streamlining processes, and ensuring compliance with existing laws. The BPLO serves as the LGU's main office for receiving, evaluating, and processing applications for business permits and licenses, as well as for monitoring and enforcing business regulations.

Therefore, this bill aims to create the mandatory positions of Human Resource Management Officer and Business Permit and Licensing Officer in all local government units.

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


ATTY. WOWO FORTES
Representative

Second District, Province of Sorsogon

Twentieth Congress of the
Republic of the Philippines
First Regular Session

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

TWENTIETH CONGRESS
First Regular Session

HOUSE BILL NO. **5511**

Introduced by **Rep. WOWO FORTES**

AN ACT CREATING MANDATORY POSITIONS FOR A HUMAN RESOURCE MANAGEMENT OFFICER FOR MUNICIPALITIES, CITIES, AND PROVINCES, AND A BUSINESS PERMIT AND LICENSING OFFICER FOR MUNICIPALITIES AND CITIES, PRESCRIBING THEIR QUALIFICATIONS AND DEFINING THEIR POWERS AND DUTIES, AMENDING FOR THE PURPOSE SECTIONS 443, 454, AND 463 OF REPUBLIC ACT NO. 7160, AS AMENDED, OTHERWISE KNOWN AS THE LOCAL GOVERNMENT CODE OF 1991

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

SECTION 1. Section 443 of Republic Act No. 7160, as amended, otherwise known as the Local Government Code of 1991 is hereby amended to read as follows:

“SECTION 443. *Officials of the Municipal Government.* – (a) There shall be in each municipality a municipal mayor, a municipal vice-mayor, Sangguniang Bayan members, a secretary to the Sangguniang Bayan, a municipal treasurer, a municipal assessor, a municipal accountant, a municipal budget officer, a municipal planning and development coordinator, a municipal engineer/building official, a municipal health officer, [and] a municipal civil registrar [.] **A MUNICIPAL HUMAN RESOURCE MANAGEMENT OFFICER, AND A MUNICIPAL BUSINESS PERMIT AND LICENSING OFFICER. A MUNICIPAL COOPERATIVES DEVELOPMENT OFFICER (CDO) SHALL ALSO BE APPOINTED: PROVIDED, THAT THE MUNICIPALITY HAS THE OPTION TO APPOINT A FULL FLEDGED COOPERATIVES DEVELOPMENT OFFICER OR MERGE SUCH POSITION TO AN**

EXISTING POSITION OR OFFICIAL IN A RELATED OFFICE, OR UNIT OR DEPARTMENT IN THE MUNICIPAL GOVERNMENT: *PROVIDED, FURTHER*, THAT IF THE MUNICIPALITY SHALL APPOINT A FULL FLEDGED COOPERATIVES DEVELOPMENT OFFICER, THE MUNICIPALITY HAS THE OPTION TO SET THE RANK, REMUNERATION AND OTHER EMOLUMENTS OF THE MUNICIPAL COOPERATIVES DEVELOPMENT OFFICER SUBJECT TO EXISTING LAWS, RULES AND REGULATIONS.

x x x.”

SEC. 2. Section 454 of the Local Government Code of 1991, as amended, is hereby further amended to read as follows:

“SECTION. 454. *Officials of the City Government.* – (a) There shall be in each city a mayor, a vice-mayor, Sangguniang Panlungsod members, a secretary to the Sangguniang Panlungsod, a city treasurer, a city assessor, a city accountant, a city budget officer, a city planning and development coordinator, a city engineer, a city health officer, a city civil registrar, a city administrator, a city legal officer, a city veterinarian, a city social welfare and development officer, [and] a city general services officer[.], **A CITY HUMAN RESOURCE MANAGEMENT OFFICER, AND A CITY BUSINESS PERMIT AND LICENSING OFFICER. A CITY COOPERATIVES DEVELOPMENT OFFICER SHALL ALSO BE APPOINTED: *PROVIDED*, THAT THE CITY HAS THE OPTION TO APPOINT A FULL FLEDGED COOPERATIVES DEVELOPMENT OFFICER OR MERGE SUCH POSITION TO AN EXISTING POSITION OR OFFICIAL IN A RELATED OFFICE, OR UNIT OR DEPARTMENT IN THE CITY GOVERNMENT: *PROVIDED, FURTHER*, THAT IF THE CITY SHALL APPOINT A FULL FLEDGED COOPERATIVES DEVELOPMENT OFFICER, THE CITY HAS THE OPTION TO SET THE RANK, REMUNERATION AND OTHER EMOLUMENTS OF THE CITY COOPERATIVES DEVELOPMENT OFFICER SUBJECT TO EXISTING LAWS, RULES AND REGULATIONS.**

x x x.”

SEC. 3. Section 463 of the Local Government Code of 1991, as amended, is hereby further amended to read as follows:

“SECTION. 463. *Officials of the Provincial Government.* – (a) There shall be in each province a governor, a vice-governor, members of the Sangguniang Panlalawigan, a Secretary to the Sangguniang Panlalawigan, a provincial treasurer, a provincial assessor, a provincial accountant, a provincial engineer, a provincial budget officer, a provincial planning and development coordinator, a

provincial legal officer, a provincial administrator, a provincial health officer, a provincial social welfare and development officer, a provincial general services officer, a provincial agriculturist, [and] a provincial veterinarian, [.] **AND A PROVINCIAL HUMAN RESOURCE MANAGEMENT OFFICER. A PROVINCIAL COOPERATIVES DEVELOPMENT OFFICER SHALL ALSO BE APPOINTED: *PROVIDED*, THAT THE PROVINCE, IN THE APPOINTMENT OF A FULL FLEDGED COOPERATIVES DEVELOPMENT OFFICER, SHALL SET THE RANK, REMUNERATION AND OTHER EMOLUMENTS OF THE PROVINCIAL COOPERATIVES DEVELOPMENT OFFICER SUBJECT TO EXISTING LAWS, RULES AND REGULATIONS.**

x x x.”

SEC. 4. New sections to be denominated as Section 490-A, Article XXI and Section 490-B, Article XXII, are hereby inserted between Title V and Title VI after Section 490, Article XX, of the Local Government Code of 1991, as amended, to read as follows:

“ARTICLE XXI

THE HUMAN RESOURCE MANAGEMENT OFFICER

“SEC. 490-A. *APPOINTMENT, QUALIFICATIONS, POWERS, AND DUTIES.* – (A) NO PERSON SHALL BE APPOINTED AS HUMAN RESOURCE MANAGEMENT OFFICER UNLESS SUCH PERSON IS A CITIZEN OF THE PHILIPPINES, A RESIDENT OF THE MUNICIPALITY, CITY, OR PROVINCE, AS THE CASE MAY BE, OF GOOD MORAL CHARACTER, A HOLDER OF A COLLEGE DEGREE PREFERABLY IN PSYCHOLOGY, PUBLIC ADMINISTRATION, OR LAW FROM A RECOGNIZED COLLEGE OR UNIVERSITY, A FIRST-GRADE CIVIL SERVICE ELIGIBLE OR ITS EQUIVALENT, AND MUST HAVE ACQUIRED EXPERIENCE IN HUMAN RESOURCE MANAGEMENT OR ORGANIZATIONAL DEVELOPMENT FOR AT LEAST FIVE (5) YEARS IN THE CASE OF THE PROVINCIAL OR CITY HUMAN RESOURCE MANAGEMENT OFFICER, AND THREE (3) YEARS IN THE CASE OF THE MUNICIPAL RESOURCE MANAGEMENT OFFICER, IMMEDIATELY PRECEDING THE DATE OF APPOINTMENT.

THE HUMAN RESOURCE MANAGEMENT OFFICER SHALL BE APPOINTED BY THE CHAIRPERSON OF THE CIVIL SERVICE COMMISSION (CSC) FROM THE LIST OF AT LEAST THREE (3)

RANKING ELIGIBLE RECOMMENDEES OF THE GOVERNOR OR MAYOR, AS THE CASE MAY BE, SUBJECT TO CIVIL SERVICE LAW, RULES AND REGULATIONS. SUCH APPOINTMENT SHALL NOT BE SUBJECT TO CONCURRENCE OF THE SANGGUNIAN CONCERNED.

THE APPOINTMENT OF A HUMAN RESOURCE MANAGEMENT OFFICER SHALL BE MANDATORY FOR PROVINCIAL, CITY, AND MUNICIPAL GOVERNMENTS: *PROVIDED, HOWEVER,* THAT THE ESTABLISHMENT OF A HUMAN RESOURCE MANAGEMENT OFFICE SHALL BE OPTIONAL IN FOURTH TO SIXTH CLASS MUNICIPALITIES.

(B) THE HUMAN RESOURCE MANAGEMENT OFFICER SHALL BE UNDER THE ADMINISTRATIVE SUPERVISION OF THE GOVERNOR OR MAYOR, AS THE CASE MAY BE.

(C) THE HUMAN RESOURCE MANAGEMENT OFFICER SHALL REPORT ON MATTERS PERTAINING TO PERSONNEL MANAGEMENT PROCESSES, WHICH INCLUDE RECRUITMENT AND SELECTION OF PERSONNEL, CAREER DEVELOPMENT, PERFORMANCE MANAGEMENT, WELFARE, REWARDS AND INCENTIVES FOR SERVICE EXCELLENCE, RULES AND REGULATIONS ON APPOINTMENTS AND LEAVE BENEFITS.

(D) THE HUMAN RESOURCE MANAGEMENT OFFICER SHALL TAKE CHARGE OF THE HUMAN RESOURCE MANAGEMENT OFFICE, AND SHALL:

- (1) FORMULATE FOR APPROVAL BY THE GOVERNOR OR MAYOR, AS THE CASE MAY BE, A HUMAN RESOURCE DEVELOPMENT PLAN THAT WILL ENHANCE PERSONAL MANAGEMENT PROCESSES IN THE LOCAL GOVERNMENT CONCERNED WITH EMPHASIS IN AREAS OF RECRUITMENT AND SELECTION, CAREER DEVELOPMENT, PERFORMANCE MANAGEMENT, WELFARE, REWARDS, AND INCENTIVES FOR SERVICE EXCELLENCE;**
- (2) CREATE AND MAINTAIN A CENTRAL RECORD OF PERSONNEL DEVELOPMENT DOCUMENTS SUCH AS APPOINTMENTS, PERSONNEL DATA SHEETS, SERVICE RECORDS, STATEMENTS OF ASSETS AND LIABILITIES, LEAVE CREDITS, AND OTHER PERSONNEL RECORDS;**
- (3) CONDUCT CONTINUING HUMAN RESOURCE DEVELOPMENT PROGRAMS AND OTHER CAPACITY**

BUILDING INTERVENTIONS TO ENHANCE THE COMPETENCY OF OFFICIALS AND EMPLOYEES;

- (4) MONITOR AND EVALUATE THE IMPLEMENTATION OF PERFORMANCE MANAGEMENT SYSTEMS IN THE LOCAL GOVERNMENT UNIT CONCERNED IN ACCORDANCE WITH CIVIL SERVICE RULES AND REGULATIONS;**
- (5) ADVISE THE GOVERNOR OR MAYOR, AS THE CASE MAY BE, AND THE CONCERNED SANGGUNIAN ON MATTERS PERTAINING TO THE CIVIL SERVICE RULES AND REGULATIONS ON APPOINTMENTS AND LEAVE BENEFITS OF EMPLOYEES;**
- (6) ENSURE THAT CIVIL SERVICE LAWS, RULES, AND REGULATIONS AND ITS IMPLEMENTING RULES AND REGULATIONS ON PERSONNEL MATTERS ARE PROPERLY EXECUTED;**
- (7) ESTABLISH LINKAGES OR PARTNERSHIPS WITH HUMAN RESOURCE ORGANIZATIONS AND OTHER LOCAL GOVERNMENT UNITS; AND**
- (8) PERFORM SUCH OTHER DUTIES AND FUNCTIONS, AND EXERCISE SUCH OTHER POWERS AS MAY BE PRESCRIBED BY LAW OR ORDINANCE.**

“ARTICLE XXII

THE BUSINESS PERMIT AND LICENSING OFFICER

“SEC. 490-B. *QUALIFICATIONS, POWERS, AND DUTIES.* – (A) NO PERSON SHALL BE APPOINTED BUSINESS PERMIT AND LICENSING OFFICER UNLESS SUCH PERSON IS A CITIZEN OF THE PHILIPPINES, A RESIDENT OF THE CITY OR MUNICIPALITY, AS THE CASE MAY BE, OF GOOD MORAL CHARACTER, A HOLDER OF A COLLEGE DEGREE PREFERABLY IN BUSINESS ADMINISTRATION OR OTHER RELATED COURSE OBTAINED FROM A RECOGNIZED COLLEGE OR UNIVERSITY, A FIRST GRADE CIVIL SERVICE ELIGIBLE OR ITS EQUIVALENT, AND MUST HAVE ACQUIRED EXPERIENCE FOR AT LEAST FIVE (5) YEARS IN BUSINESS MANAGEMENT IMMEDIATELY PRECEDING THE DATE OF APPOINTMENT.

THE APPOINTMENT OF A BUSINESS PERMIT AND LICENSING OFFICER SHALL BE MANDATORY FOR CITIES AND MUNICIPALITIES.

THE BUSINESS PERMIT AND LICENSING OFFICER SHALL TAKE CHARGE OF THE BUSINESS PERMIT AND LICENSING OFFICE, AND SHALL:

- (1) PROCESS AND ACT ON ALL APPLICATIONS FOR BUSINESS AND MAYOR'S PERMITS REQUIRED UNDER APPLICABLE LAW, ORDINANCE, RULES AND REGULATIONS, AND LICENSES AS WELL AS OCCUPATIONAL PERMITS, INCLUDING THE ASSESSMENT OF BUSINESS TAXES, FEES, AND CHARGES OF THE VARIOUS BUSINESSES IN THE CITY OR MUNICIPALITY: *PROVIDED, HOWEVER,* THAT ALL ASSESSMENTS ARE SUBJECT TO THE AUTHORITY OF THE LOCAL TREASURER TO CONDUCT EXAMINATION OF BOOKS OF ACCOUNTS AND OTHER AUTHORITIES AS PROVIDED IN THE LOCAL GOVERNMENT CODE OF 1991, AS AMENDED;**
- (2) MONITOR AND ENFORCE THE APPLICABLE TAX ORDINANCES AND OTHER PERTINENT LAWS, ORDINANCES, RULES AND REGULATIONS IN THE OPERATIONS OF BUSINESSES AND OCCUPATIONS WITHIN THE JURISDICTION OF THE CITY OR MUNICIPALITY;**
- (3) FORMULATE POLICIES AS A PROACTIVE MEASURE TO DRAW LOCAL AND FOREIGN INVESTMENTS ESPECIALLY IN PRIORITY AREAS/INDUSTRIES AS A TOOL TO DEFINE THE DEVELOPMENT THRUST OF THE CITY OR MUNICIPALITY;**
- (4) INITIATE, REVIEW, AND RECOMMEND TO THE MAYOR REVENUE-GENERATING MEASURES TO INCREASE LOCAL REVENUES;**
- (5) ENFORCE THE TAX ORDINANCES OF THE MUNICIPALITY OR CITY AND OTHER PERTINENT LAWS, RULES AND REGULATIONS;**
- (6) CONDUCT TAX MAPPING AND REGULAR INSPECTION OF ALL BUSINESS ESTABLISHMENTS EXISTING AND OPERATING WITHIN THE TERRITORIAL JURISDICTION OF THE CITY OR MUNICIPALITY;**
- (7) ISSUE AND IMPLEMENT NECESSARY NOTICES AND ORDERS TO CONCERNED ESTABLISHMENTS;**
- (8) SIT AS A MEMBER OF THE LOCAL FINANCE COMMITTEE, LOCAL INVESTMENT BOARD AND SUCH OTHER BODIES AS THE MAYOR SHALL IDENTIFY; AND**

**(9) PERFORM SUCH OTHER DUTIES AND FUNCTIONS, AND
EXERCISE SUCH OTHER POWERS AS MAY BE
PRESCRIBED BY LAW OR ORDINANCE."**

SEC. 5. Officers and employees of local government units concerned holding permanent positions shall be given preference in the selection and appointment to the positions herein created with those who are eligible and qualified for the position, given priority by the Selection and Promotion Board.

No new employees shall be hired until all current qualified employees have been considered and duly appointed. Temporary and casual employees who possess the necessary qualifications and appropriate civil service eligibility for permanent positions shall likewise be given preference in the selection and appointment to positions vacated by those who have been appointed to the newly-created positions.

SEC. 6. The appropriations for the permanent positions herein created, including other related budget for their respective offices, shall be included in the annual budget of the local government unit concerned of the year following the approval of this Act, and thereafter.

SEC. 7. This Act shall take effect fifteen (15) days after its publication in the *Official Gazette* or in a newspaper of general circulation.

Approved,