

Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City

TWENTIETH CONGRESS
First Regular Session

HOUSE BILL NO. 5755



Introduced by: REPRESENTATIVE ARNULF BRYAN "ARNIE" B. FUENTEBELLA

EXPLANATORY NOTE

The proposed bill seeks to further strengthen the fire safety regime in the Philippines by amending Republic Act No. 9514, otherwise known as the "Fire Code of the Philippines of 2008," and Republic Act No. 11589 or the "Bureau of Fire Protection Modernization Act."

The necessity for this measure arises from the evolving landscape of economic activity and urban development in the country. The proliferation of economic zones, information technology parks, tourism hubs, and other specialized areas, as well as the increasing complexity of infrastructure and industrial operations demand a more comprehensive and responsive fire safety framework. The current Fire Code, while robust, does not explicitly cover certain sectors and facilities that are now integral to national development and public safety.

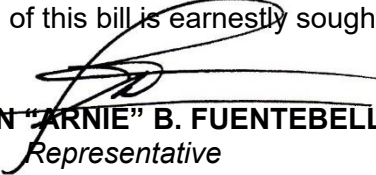
This bill expands the applicability of the Fire Code to include economic zones, agro-industrial areas, free ports, IT parks, tourism zones, forests, land transportation vehicles, ships, petroleum installations, and airports. By doing so, it ensures that all persons and all public and private buildings, facilities, and structures—regardless of location or classification—are subject to uniform fire safety standards and regulations.

To support the enhanced mandate of the Bureau of Fire Protection (BFP), the bill revises the funding mechanisms under the Fire Code. It introduces new and clarified sources of income, including fees for fire safety evaluation clearances and improved systems for the collection and remittance of insurance-related fees. These measures are designed to provide the BFP with adequate resources to fulfill its expanded responsibilities.

A key feature of the bill is the strengthening of the BFP Modernization Trust Fund. The bill consolidates the trust fund's legal basis, clarifies its sources, and institutionalizes a multi-agency management committee under the general supervision of the Bureau of Treasury. This committee is tasked with setting procurement strategies, approving disbursements, and ensuring transparency and accountability in fund management. The bill also mandates annual reporting to Congress and the Commission on Audit, with public disclosure through official websites, and subjects the fund to regular COA audits.

Furthermore, the bill requires the BFP to prepare a long-term modernization development plan, ensuring the continuity and sustainability of modernization efforts beyond the initial ten-year program. This forward-looking approach is intended to equip the BFP to meet the challenges of fire prevention, suppression, investigation, rescue, and emergency response up to the year 2040 and beyond.

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


ARNULF BRYAN "ARNIE" B. FUENTEBELLA
Representative
Fourth District, Camarines Sur

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Introduced by: **REPRESENTATIVE ARNULF BRYAN “ARNIE” B. FUENTEBELLA**

AN ACT

**EXPANDING THE COVERAGE OF THE FIRE CODE OF THE PHILIPPINES AND
STRENGTHENING THE BUREAU OF FIRE PROTECTION MODERNIZATION TRUST
FUND, AMENDING RA NO. 9514, AS AMENDED, AND FOR OTHER PURPOSES**

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

SECTION 1. *Section 4 of Republic Act No. 9514 is hereby amended to read as follows:*

“SECTION 4. *Applicability of the Code.* - The provisions of the Fire Code shall apply to all persons and all private and public buildings, facilities or structures, erected or constructed before and after its effectivity **INCLUDING THOSE THAT ARE CLASSIFIED AS ECONOMIC ZONE OR THOSE ESTABLISHED THEREIN, AGRO-INDUSTRIAL ECONOMIC, FREE PORTS AND SPECIAL ECONOMIC ZONE, INFORMATION TECHNOLOGY (IT) PARKS AND CENTERS, TOURISM ECONOMIC ZONES, AND OTHER SIMILAR ENTITIES; FOREST, LAND TRANSPORTATION VEHICLES AND EQUIPMENT; SHIPS OR VESSELS DOCKED AT PIERS OR WHARVES OR ANCHORED IN MAJOR SEAPORTS, PETROLEUM INDUSTRY INSTALLATIONS; AND AIRPORTS.**

SECTION 2. *Section 12 of Republic Act No. 9514 is hereby amended to read as follows:*

“SEC. 12. *Appropriation and Sources of Income.* —

(a) To support the manpower, infrastructure, and equipment needs of the fire service of the BFP, such amounts as may be necessary to attain the objectives of the Fire Code shall be appropriated and included in the annual appropriation of the BFP.

(b) To partially provide for the funding of the fire service, the following taxes and fees, which shall accrue to the general fund of the National Government, are hereby imposed:

(1) Fees to be charged for the issuance of certificates, permits, and licenses as provided for in Section 7(a) hereof [;].

(2) FEES TO BE CHARGED FOR THE ISSUANCE OF FIRE SAFETY EVALUATION CLEARANCE AS PROVIDED FOR IN SECTION 5(J) HEREOF. THE ASSESSMENT OF FEES SHALL BE PRESCRIBED BY THE CHIEF, BFP, BASED ON THE TOTAL FLOOR AREA AND THE HAZARD OF THE BUILDING STRUCTURE OR FACILITY.

~~[(2)]~~ **(3)** One-tenth of one per centum (0.1%) of the verified estimated value of buildings or structures to be erected, from the owner thereof, **BUT NOT TO EXCEED FIFTY THOUSAND PESOS (P50, 000)**, one half to be paid ~~[prior to]~~ **BEFORE** the issuance of the building permit, and the balance, after the final inspection and ~~[prior to]~~ **BEFORE** the issuance of the use and occupancy permit;

~~[(3)]~~ **(4)** One-hundredth of one per centum (0.01%) of the ~~[assessed – value]~~ **ASSESSED VALUE** of buildings or structures annually payable upon payment of the real estate tax, except on structures used as single-family dwellings;

~~[(4)]~~ **(5)** Two *per centum* (2%) of all premiums, excluding reinsurance premiums for the sale of fire, earthquake, and explosion hazard insurance collected by companies, persons, or agents licensed to sell such ~~[insurances]~~ **INSURANCE** in the Philippines, **SHALL BE COLLECTED AND REMITTED THROUGH THE CITY OR MUNICIPAL FIRE MARSHAL WHO HAS JURISDICTION OVER THE LOCATION OF THE PROPERTY SUBJECT OF THE INSURANCE.**

~~[(5)]~~ **(6)** Two *per centum* (2%) of gross sales of companies, persons, or agents selling fire-fighting equipment, appliances, or devices, **FIRE SUPPRESSION SYSTEMS**, including hazard detection and warning systems; and

~~[(6)]~~ **(7)** Two *per centum* (2%) of the service fees received from fire, earthquake, and explosion hazard reinsurance surveys and ~~[post-loss]~~ **POST-LOSS** service of insurance adjustment companies doing business in the Philippines directly through agents.

SECTION 3. Section 7 of RA 11589, in relation to the BFP Modernization Trust Fund, is hereby amended as follows:

Section 7. BFP Modernization Trust Fund. – The trust fund created pursuant to Section 13 of Republic Act No. 9514, **AND SECTION 7 OF REPUBLIC ACT NO. 11589** shall ~~[be transferred to a new trust fund to]~~ be known as the “BFP Modernization Trust Fund”. ~~[It shall be administered by the Chief of the BFP in accordance with existing government budgeting, accounting and auditing rules and regulations.]~~ **WHICH SHALL BE ADMINISTERED BY THE CHIEF OF THE BUREAU OF FIRE PROTECTION IN ACCORDANCE WITH EXISTING GOVERNMENT BUDGETING, ACCOUNTING, AND AUDITING RULES AND REGULATIONS. IT SHALL BE MANAGED, UTILIZED, AND ACCOUNTED FOR IN THE MANNER PROVIDED UNDER THIS ACT AND ITS IMPLEMENTING RULES AND RULES AND REGULATIONS.**

The BFP Modernization Trust Fund shall be used exclusively for the implementation of the BFP Modernization Program as provided for in this Act, including **BUT NOT LIMITED TO, THE PROCUREMENT OF FACILITIES, MACHINERY, EQUIPMENT, AND SERVICES NECESSARY FOR FIRE PREVENTION, SUPPRESSION, INVESTIGATION, RESCUE, EMERGENCY MEDICAL SERVICES, HAZARDOUS MATERIAL HANDLING, AND RELATED TECHNICAL SERVICES:** ~~[all expenses necessary for the procurement of facilities, machineries, equipment and services:]~~ Provided, That expenses chargeable against the trust fund shall exclude salaries and allowances for BFP personnel.

The BFP Modernization Trust Fund shall be sourced from the following:

(a) Appropriations for the BFP Modernization Program as provided in ~~[Section 12 of this Act]~~ **THE ANNUAL GENERAL APPROPRIATIONS ACT;**

(b) Eighty percent (80%) share of the BFP from all taxes, fees, and fines collected pursuant to Republic Act No. 9514, **AS AMENDED, AND ITS IMPLEMENTING RULES AND REGULATIONS;**

(c) Proceeds from the disposal of excess and uneconomically repairable equipment and other movable assets of the BFP;

(d) Funds from any budgetary surplus, as may be authorized by Congress;

(e) Loans, grants, bequests, or donations from local and foreign sources, specifically earmarked to be used for the BFP Modernization Program; and

(f) All interest income that accrues to the trust fund; **AND**

(G) SUCH OTHER SOURCES AS MAY BE AUTHORIZED BY LAW.

THE BFP MODERNIZATION TRUST FUND SHALL BE MAINTAINED IN A GOVERNMENT DEPOSITORY BANK. The amount allocated shall be released to the BFP based on the objectives of the BFP Modernization Program as provided for in this Act ~~[- Provided, That the fund releases charged against the trust fund shall not be subject to any ceiling by the DBM.]~~ **AND SHALL NOT BE SUBJECT TO ANY CEILING BY THE DEPARTMENT OF BUDGET AND MANAGEMENT.**

THE BFP SHALL SUBMIT AN ANNUAL REPORT TO CONGRESS AND THE COMMISSION ON AUDIT ON THE UTILIZATION AND STATUS OF THE BFP MODERNIZATION TRUST

FUND, WHICH SHALL BE PUBLISHED ON THE OFFICIAL WEBSITE OF THE BFP AND THE DILG FOR PUBLIC TRANSPARENCY.

THE BFP MODERNIZATION TRUST FUND SHALL BE SUBJECT TO ANNUAL AUDIT BY THE COA. ANY MISUSE OR UNAUTHORIZED DISBURSEMENT OF THE FUND SHALL BE SUBJECT TO PENALTIES UNDER EXISTING LAWS.

THE SECRETARY OF THE DILG, IN CONSULTATION WITH THE DBM, COA, AND OTHER RELEVANT AGENCIES, SHALL PROMULGATE THE NECESSARY RULES AND REGULATIONS FOR THE EFFECTIVE IMPLEMENTATION OF THIS SECTION WITHIN SIXTY (60) DAYS FROM THE EFFECTIVITY OF THIS ACT.

SECTION 4. *NATURE OF THE TRUST FUND.* - THE BFP MODERNIZATION TRUST FUND IS SEPARATE AND DISTINCT FROM THE REGULAR FUNDS APPROPRIATED TO THE BFP THROUGH THE ANNUAL GENERAL APPROPRIATIONS ACT (GAA). THE BFP SHALL CONTINUE TO PURSUE ITS MANDATE, PROGRAMS AND PROJECTS FROM THE REGULAR GAA APPROPRIATIONS AND FROM FUNDS UNDER THE BFP MODERNIZATION TRUST FUND.

SECTION 5. *UTILIZATION OF THE TRUST FUND.* - THE UTILITIZATION OF THE BFP MODERNIZATION TRUST FUND OR ANY PORTION THEREOF SHALL BE IN ACCORDANCE WITH THE BFP MODERNIZATION PLAN AS PROVIDED IN SECTION 7 OF RA 11589 OR THE BFP MODERNIZATION LAW.

SECTION 6. *CREATION OF A TRUST FUND MANAGEMENT COMMITTEE.* - THERE IS HEREBY CREATED A BFP MODERNIZATION TRUST FUND MANAGEMENT COMMITTEE, UNDER THE GENERAL SUPERVISION OF THE BUREAU OF TREASURY (BTR), WHICH SHALL BE RESPONSIBLE TO SET PROCUREMENT STRATEGIES, APPROVE DISBURSEMENTS, AND OVERSEE FUND MANAGEMENT, PROMOTING INTER-AGENCY CHECKS AND BALANCES.

SECTION 7. MANAGEMENT OF THE BFP MODERNIZATION TRUST FUND. – THE BFP MODERNIZATION TRUST FUND SHALL BE MANAGED AND ADMINISTERED BY A BFP MODERNIZATION TRUST FUND MANAGEMENT COMMITTEE, HEREINAFTER REFERRED TO AS THE "COMMITTEE," UNDER THE GENERAL SUPERVISION OF THE BUREAU OF TREASURY (BTR).

THE COMMITTEE SHALL BE COMPOSED OF THE FOLLOWING:

- (A) THE CHIEF OF THE BUREAU OF FIRE PROTECTION, AS CHAIRPERSON;**
- (B) THE DIRECTOR FOR COMPTROLLERSHIP OF THE BFP, AS VICE CHAIRPERSON;**
- (C) ONE (1) REPRESENTATIVE EACH FROM THE DEPARTMENT OF THE INTERIOR AND LOCAL GOVERNMENT (DILG), THE DEPARTMENT OF BUDGET AND MANAGEMENT (DBM), AND THE COMMISSION ON AUDIT (COA), AS MEMBERS;**
- (D) THE DIRECTOR FOR PLANS AND STANDARDS AS THE HEAD OF THE BFP MODERNIZATION PROGRAM MANAGEMENT OFFICE, AS MEMBER-SECRETARY.**

THE COMMITTEE SHALL HAVE THE FOLLOWING POWERS AND FUNCTIONS:

- (1) FORMULATE AND APPROVE POLICIES AND GUIDELINES FOR THE UTILIZATION AND DISBURSEMENT OF THE BFP MODERNIZATION TRUST FUND, CONSISTENT WITH THE OBJECTIVES OF THE BFP MODERNIZATION PROGRAM AND APPLICABLE LAWS;**
- (2) SET PROCUREMENT STRATEGIES AND APPROVE DISBURSEMENTS FROM THE TRUST FUND;**
- (3) OVERSEE THE MANAGEMENT, UTILIZATION, AND ACCOUNTING OF THE TRUST FUND, ENSURING TRANSPARENCY AND ACCOUNTABILITY;**
- (4) ENSURE COMPLIANCE WITH GOVERNMENT BUDGETING, ACCOUNTING, AND AUDITING RULES AND REGULATIONS;**

(5) SUBMIT AN ANNUAL REPORT TO CONGRESS AND THE COMMISSION ON AUDIT ON THE UTILIZATION AND STATUS OF THE TRUST FUND, WHICH SHALL BE PUBLISHED ON THE OFFICIAL WEBSITES OF THE BFP AND THE DILG FOR PUBLIC TRANSPARENCY;

(6) PERFORM SUCH OTHER FUNCTIONS AS MAY BE NECESSARY TO ENSURE THE EFFECTIVE MANAGEMENT OF THE TRUST FUND.

THE TRUST FUND SHALL BE SUBJECT TO ANNUAL AUDIT BY THE COA. ANY MISUSE OR UNAUTHORIZED DISBURSEMENT OF THE FUND SHALL BE SUBJECT TO PENALTIES UNDER EXISTING LAWS.

THE SECRETARY OF THE DILG, IN CONSULTATION WITH THE DBM, COA, BTR, AND OTHER RELEVANT AGENCIES, SHALL PROMULGATE THE NECESSARY RULES AND REGULATIONS FOR THE EFFECTIVE IMPLEMENTATION OF THIS SECTION WITHIN SIXTY (60) DAYS FROM THE EFFECTIVITY OF THIS ACT.

SECTION 8. *CREATION OF BFP MODERNIZATION DEVELOPMENT PLAN.* - THE BFP SHALL PREPARE THE BFP MODERNIZATION DEVELOPMENT PLAN TO CONTINUE THE BFP MODERNIZATION PROGRAM AFTER THE TEN- (10-) YEAR PROGRAM FROM ITS IMPLEMENTATION AND APPROVED BY THE DILG. THE BFP DEVELOPMENT PLAN SHALL SET THE DIRECTIONS AND POLICIES FOR THE MODERNIZATION PROGRAM OF THE BFP BY 2040.

SECTION 9. *Implementing Rules and Regulations.* - Within sixty (60) days from the effectivity of this Act, the Secretary of the Interior and Local Government shall issue the rules and regulations for its effective implementation.

SECTION 10. *Separability Clause.* - If any provision of this Act is declared unconstitutional or invalid, the other provisions not affected thereby shall remain in full force and effect.

SECTION 11. Repealing Clause. - All laws, decrees, orders, rules, and regulations, or parts thereof, which are inconsistent with the provisions of this Act are hereby repealed or modified accordingly.

SECTION 12. Effectivity Clause. - This Act shall take effect fifteen (15) days after its publication in the Official Gazette or in a newspaper of general circulation.

Approved,