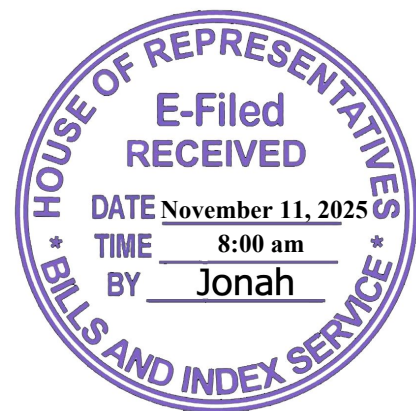


Republic of the Philippines
HOUSE OF REPRESENTATIVES
Constitution Hills, Quezon City

TWENTIETH CONGRESS
First Regular Session

House Bill No. 5791



Introduced by: **REPRESENTATIVE ERIC L. OLIVAREZ**

EXPLANATORY NOTE

The barangay is the foundation of Philippine democracy and the frontline of public service. Barangay officials perform vital roles in governance — from maintaining peace and order to implementing health, education, and disaster response programs — yet their compensation and benefits remain inadequate under existing laws.

Republic Act No. 7160, or the *Local Government Code of 1991*, classifies barangay officials as recipients of honoraria rather than regular government employees. More than three decades after its enactment, this framework no longer reflects the expanding responsibilities and risks faced by barangay officials in serving their communities.

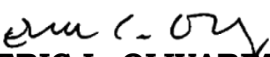
This bill seeks to institutionalize a Magna Carta for Barangays and Barangay Officials to provide equitable compensation, social protection, and institutional support to barangay leaders and workers.

Specifically, the measure:

1. Declares barangay officials as regular government employees for purposes of compensation and benefits;
2. Provides standardized salaries, allowances, and benefits, subject to DBM standards and local fiscal capacity;
3. Extends insurance, medical assistance, and educational benefits to Barangay Tanods and their dependents;
4. Ensures direct release of barangay shares from national taxes and promotes equitable participation in local revenues; and
5. Harmonizes its implementation with R.A. 7160, R.A. 3019 (Anti-Graft and Corrupt Practices Act), and R.A. 6713 (Code of Conduct and Ethical Standards for Public Officials and Employees).

The enactment of this Magna Carta recognizes the barangay as a full partner in national development and strengthens its capacity to deliver essential services at the grassroots level. It will thus, uphold the dignity of barangay service, promote efficiency in local governance, and affirm the State's duty to protect those who serve at the frontlines of public administration.

In view of the foregoing, the swift enactment of this measure is respectfully sought.


ERIC L. OLIVAREZ

Republic of the Philippines
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TWENTIETH CONGRESS
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House Bill No. 5791

Introduced by: **REPRESENTATIVE ERIC L. OLIVAREZ**

**AN ACT PROVIDING FOR A MAGNA CARTA OF BARANGAYS
AND BARANGAY OFFICIALS**

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

SECTION 1. Short Title – This Act shall be known as the “Magna Carta for Barangays and Barangay Officials Act of 2025”.

SEC. 2. Declaration of Policy – Consistent with Section 384 of Republic Act No. 7160, otherwise known as the *Local Government Code of 1991*, which declares that “*the barangay serves as the primary planning and implementing unit of government policies, plans, programs, projects, and activities, and as a forum wherein the collective views of the people may be expressed, crystallized and considered,*” it is hereby declared the policy of the State to recognize the barangay as the foundation of local governance and the vital partner of the national government in community development.

It is likewise the policy of the State to promote and protect the welfare of barangay officials, recognizing their indispensable role as front-liners in governance, public service, and grassroots leadership. The State shall ensure that barangay officials are provided with adequate compensation, benefits, and protection to enable them to perform their duties effectively, uphold their dignity, and encourage dedicated and honest public service at the community level.

SEC. 3. General Principles. - The following are the general principles of this Act:

- a.) The national government shall give more attention to the development of the barangays, as they are the country's basic political units;
- b.) Every barangay shall be given the authority and capability to handle its concerns on its level; and
- c.) Self-help or people power shall be the guiding principle in all barangay development projects.

SEC. 4. Barangay Officials as Regular Government Employees. For purposes of compensation and benefits, the punong barangay, members of the sangguniang barangay, the sangguniang kabataan chairperson, the barangay secretary and barangay treasurer in all barangays are hereby declared regular government employees, without prejudice to their elective or appointive nature under RA 7160, and as such, are entitled to the salary, emoluments, allowances such as hazard pay, Representation and Transportation Allowance, Personnel Economic Relief Allowance, Productivity Incentive Bonus, Clothing Allowance, Mid-year and 13th month pay, and other benefits such as insurance, medical and dental coverage, retirement benefits, and all other fringe benefits to which a regular government employee may be entitled to.

The DILG shall coordinate with CSC and DBM for this purpose and for Implementing Rules and Regulations (IRR) alignment.

SEC. 5. Salaries of Barangay Officials.- As soon as the appropriate steps and measures are undertaken by each city or municipality in coordination with the individual barangay involved on matters relating to the sources of fund and the corresponding appropriation ordinance, which in no case shall be later than six (6) months from the approval hereof, all barangay officials mentioned in Section 4 hereof, shall be entitled to the following fixed salaries, subject however to existing DBM compensation standards, local fiscal capacity, and the limitations set under RA 7160 and DBM circulars:

- a.) Punong Barangay - An amount equivalent to the salary of a sangguniang bayan member of his/her municipality or city;
- b.) Members of the Sangguniang Barangay - An amount equivalent to eighty percent (80%) of the salary of the sangguniang bayan member of his/her municipality or city; and
- c.) Sangguniang Kabataan Chairperson, Barangay Secretary and Barangay Treasurer - An amount equivalent to seventy-five percent (75%) of the salary of the sangguniang bayan member of his/her municipality or city.

SEC. 6. Appointment, Selection and Benefits of Barangay Tanods. – There shall be Barangay Tanods in every barangay who shall maintain peace and order and enforce all laws and ordinances relative to the protection of lives and properties in their respective barangays. The Sangguniang barangay shall, through a resolution, determine the appropriate number of barangay tanods needed in their respective barangay.

The appointment and selection of barangay tanods shall be done by the Punong Barangays with the concurrence of the majority of the members of the sangguniang barangay concerned in accordance with merit and principle: *Provided*, That no person shall be appointed barangay tanod unless he or she is a citizen of the Philippines, a resident of the barangay concerned, of good moral character and of sound mind: *Provided further*, that patronage or partisan considerations shall not be a basis for such selection and appointment.

Barangay tanods shall be appointed to a permanent status during the administration of the sangguniang barangay which appointed them unless sooner relieved from his/her appointment for just cause.

Barangay tanods shall receive the following benefits and privileges:

- a) Honoraria, allowances, and such other emoluments as may be authorized by law or barangay, municipal or city ordinance in accordance with the provisions of Republic Act No. 7160, but in no case shall it be less than six hundred pesos (P600.00) per month;
- b) Christmas bonus of at least One thousand pesos (P1,000.00) each, 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;
- c) Insurance coverage which shall include, but shall not be limited to temporary and permanent disability, double indemnity, accident insurance, death and burial benefits;
- d) Free medical care including subsistence, medicines, and medical attendance in any government hospital or institution: *Provided*, that such hospital care shall include surgery or surgical expenses, medicines, X-rays, laboratory fees, and other hospital expenses; and,
- e) Exemption during their incumbency from paying tuition and matriculation fees for their legitimate dependent children attending state colleges or universities. He may likewise avail of such educational benefits in a state college or university located within the province or city to which the barangay belongs.

SEC. 7. Drinking Water for Every Barangay. - It is the right of every barangay to have a regular supply of clean and potable water. To attain this goal, every city or municipality, as the case may be, is hereby required to construct or maintain at least one (1) facility for drawing drinking water to supply the needs of every one thousand (1,000) residents for each barangay within its jurisdiction.

SEC. 8. Transportation for Every Barangay. - It is also the right of every barangay to have public transportation available at least once a day.

For this purpose, every municipality or city, as the case may be, should make such necessary representations before appropriate government agencies to require public utility companies operating primarily within its jurisdiction to provide the minimum means of transportation in every barangay.

SEC. 9. Schools Health Centers, and Barangay Halls for the Barangays. - As far as practicable, every barangay is entitled to have at least one (1) kindergarten and at least one (1) elementary school: *Provided*, that there shall be at least one high school for every five (5) kilometers from the barangay center. It shall also be the right of every barangay to have one (1) health center and one (1) barangay hall.

SEC. 10. Automatic Release of Share from National Taxes.
- The share of each barangay from all national taxes shall be released, without need of further action, directly to the barangay treasurer. The national taxes to be included in the base for computing the just share of barangays shall include, but not be limited to, the following:

- a) The national internal revenue taxes enumerated in Section 21 of the National Internal Revenue Code, as amended, collected by the Bureau of Internal Revenue and the Bureau of Customs;
- b) Tariff and customs duties collected by the Bureau of Customs;
- c) 60% of the national taxes collected from the exploitation and development of the national wealth.
- d) The remaining 40% of the national taxes collected from the exploitation and development of the national wealth shall exclusively accrue to the host Local Government Units pursuant to Section 290 of Republic Act No. 7160 (Local Government Code);
- e) 85% of the excise taxes collected from locally manufactured Virginia and other tobacco products;
- f) The remaining 15% shall accrue to the special purpose funds created by Republic Act No. 7171 and Republic Act No. 7227;
- g) The entire 50% of the national taxes collected under Sections 106, 108 and 116 of the NIRC as provided under Section 283 of the NIRC;
- h) 5% of the 25% franchise taxes given to the National Government Under Section 6 of Republic Act No. 6631 and Section 8 of Republic Act No. 6632; and

i) The appropriate sharing for the Bangsamoro Autonomous Region in Muslim Mindanao under Republic Act No. 11054.

SEC. 11. Transfer of Funds to Barangay for the Maintenance of Roads and Bridges. - All public funds appropriated from the National Treasury for the maintenance of barangay roads and bridges and other similar construction works shall be transferred or remitted directly to the general fund of every barangay for their proper disposition by barangay officials, subject to auditing laws, rules, and regulations.

SEC. 12. Mandatory Share of Barangays in All Taxes, Fees, or Other Charges. - Twenty-five percent (25%) of all taxes collected on real property located within the barangay shall be considered barangay funds and shall be allocated in accordance with existing laws. In addition, thereto, each barangay shall be entitled to ten percent (10%) from all other forms of taxes, fees, penalties, compromises, or other charges collected from persons residing in the barangay or entities whose office or manufacturing plant is located within the barangay.

SEC. 13. - Equitable Share of the Barangay from the Proceeds of the Utilization and Development of National Wealth - For the exploitation, utilization, and development of natural resources within its territory, every barangay shall be entitled to an equitable share of the proceeds derived therefrom.

The amount of barangay share shall be determined by the city or municipality concerned after consultations with the concessionaires, the municipal or city officials and barangay officials, taking into account the extent of the exposure of the barangay residents to pollution, flood, and ecological imbalance:

Provided, that, this equitable sharing rate for each barangay shall be resolved by all parties concerned not later than six (6) months from the approval of this Act. Revenues derived from this source shall also from part of the general fund of the barangay.

SEC. 14. Scholarship Grant. - Every barangay shall sponsor at least one (1) college scholarship grant every year to be awarded by a committee of five (5) persons appointed by the Sangguniang Barangay, with the approval of the Punong Barangay, after competitive examinations are given to applicants, who should be bona fide residents of the barangay. The grant shall include tuition fees and all other school fees, reasonable allowances for school books, supplies, transportation, and other expenses as the barangay may deem appropriate.

SEC. 15. Priority in Employment. - Residents in every barangay shall have priority in the hiring of workers and laborers to be needed in any government construction or development project within the barangay without prejudice to existing labor laws.

SEC. 16. Cooperative Enterprise. - Cooperative enterprises in the barangay shall be encouraged. Every barangay is directed to give full assistance for the establishment and organization of said enterprises and to take every possible effort to make cooperative undertakings a way of life in the barangay in accordance with RA 9520 and DILG-CDA joint programs.

SEC. 17. Implementing Rules and Regulations – The Secretary of the Interior and Local Government shall promulgate such rules and regulations as may be necessary to implement the provisions of this Act. Rules and regulations issued pursuant to this Section shall take effect thirty (30) days after publication in a newspaper of general circulation and by such other means as the Secretary deems reasonably sufficient to give interested parties general notice of such issuance.

SEC. 18. Appropriations. - The amount necessary to implement the provisions of this Act shall be included in the annual General Appropriations Act.

SEC. 19. Penal Provisions. - Any person who shall willfully interfere with, restrain or coerce any barangay official or barangay resident in the exercise of his or their rights guaranteed by this Act or who shall in any other manner commit any act to defeat any of the provisions of this Act shall, upon conviction, be punished by a fine of not less than five hundred pesos (P500.00) nor more than two thousand pesos (P2,000.00), or by imprisonment or six (6) months and one (1) day, or both, subject to the discretion of the court.

SEC. 20. Separability Clause. - If any provision of this Act is subsequently declared unconstitutional, the validity of the remaining provisions hereof shall remain in full force and effect.

SECTION 21. Relation to Other Laws.- The provisions of this Act shall be construed in harmony with the following laws and their respective amendments:

- (a) **Republic Act No. 7160**, otherwise known as the *Local Government Code of 1991*, which defines the powers, functions, and financial relations of local government units;
- (b) **Republic Act No. 3019**, otherwise known as the *Anti-Graft and Corrupt Practices Act*; and
- (c) **Republic Act No. 6713**, otherwise known as the *Code of Conduct and Ethical Standards for Public Officials and Employees*.
- (d) **Mandanas-Garcia ruling**

In the interpretation and implementation of this Act, the principles of local autonomy, transparency, and accountability embodied in the above-cited laws shall continue to apply. Nothing in this Act shall be construed to diminish the standards of ethical conduct, anti-graft safeguards, or administrative responsibility established therein.

During the transition period for the implementation of this Act, and pending the issuance of its Implementing Rules and Regulations, all existing rules, circulars, and guidelines under Republic Act No. 7160 and pertinent issuances of the Department of the Interior and Local Government (DILG) and the Department of Budget and Management (DBM) shall remain in force, insofar as they are not inconsistent with the provisions of this Act.

SEC. 22. Repealing Clause. - All affected provisions of Republic Act No. 7160 (Local Government Code of 1991), particularly Book II, Article IV, Book III, Title I (The Barangay) and all other laws, decrees, executive orders, rules, and regulations inconsistent with this Act are hereby amended, repealed, or modified accordingly.

For purposes of consistency, all references in existing laws, rules, and regulations to the compensation, benefits, and fiscal entitlements of barangay officials under Republic Act No. 7160 shall henceforth be understood in accordance with this Act.

SEC. 23. Effectivity. - This Act shall take fifteen days (15) after its complete publication in at least two (2) newspapers of general circulation.

Approved,