Republic of the Philippines HOUSE OF REPRESENTATIVES

Quezon City

EIGHTEENTH CONGRESS

First Regular Session

HOUSE BILL NO. 6113



Introduced by Representative Michael L. Romero

EXPLANATORY NOTE

The state shall advocate the constitutional rights to life and property of all its citizenry by addressing the original causes of the country's vulnerabilities to disasters, reinforcing its influential capacity for disaster risk reduction and management, more so promoting the resilience of local government units (**LGUs**) and communities to disasters including the impacts of climate change.

The state shall obey and implement the institutional standards, values. and morals of humanitarian assistance and the global effort on risk reduction as solid manifestation of the country's commitment to overcome human sufferings due to these recurring disasters.

This House Bill seeks to establish a **Comprehensive Calamity Fund** exclusively for the use of Local Government Units (LGUs) for response and recovery operations in times of natural calamities and disasters.

Thus, the early passage of this bill is earnestly requested.

MICHAEL L. ROMERO

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AN ACT

PROVIDING FOR A COMPREHENSIVE LOCAL GOVERNMENT CALAMITY FUND, TO AUGMENT DISASTER RESPONSE AND RECOVERY, AND FOR OTHER PURPOSES

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

CHAPTER I

GENERAL PROVISIONS

- SECTION 1. TITLE This Act shall be known as the "Local Government Calamity Fund Act of 2020".
- **SECTION 2. DECLARATION OF POLICY** It is hereby a declared policy of the State to capacitate, to establish disaster resilience of all LGUs.

The state shall foster formal methods to diminish disaster risks and increase the awareness, response and recovery competence at all LGUs.

SECTION 3. COMPREHENSIVE LOCAL GOVERNMENT CALAMITY

FUND – An Exclusive Calamity Fund will be held as a trust account in a government bank.

The Expenditures from said funding shall be subject to the issuance of a release order of the regulatory board.

The Regulatory Board shall be composed of the following:

- a) Secretary of the Department of Interior and Local Government (chairperson);
- b) Representative of the Union of Local Authorities of the Philippines (member);
- c) Representative of the League of Provinces of the Philippines (member);
- d) Representative of the League of Cities of the Philippines (member);
- e) Representatives of the League of Municipalities of the Philippines (member); and
- f) Representatives of the Liga ng mga Barangay (member)

They shall serve in an ex-officio capacity.

CHAPTER II

APPROPRIATIONS

SECTION 4. SOURCE OF THE CALAMITY FUND - All Local Government Units (LGUs) are hereby mandated to contribute One percent (1%) of their total revenues taken from the Local Disaster Risk Reduction and Management Fund (LDRRMF) other than the amount set aside for the quick response fund;

Provided that an **LGU** who availed of the Calamity Fund shall contribute Two percent (2%) of their LDRRMF for the next year;

Provided further, that the **LGU** shall revert to the One percent (1%) contribution if it did not avail of the calamity fund for the previous year.

- **SECTION 5. TREATMENT OF THE CALAMITY FUND** In the event of a disaster, any affected LGU can use the Calamity Fund upon submission of the following:
 - a) LGU Resolution declaring a State of Calamity; and
 - b) Certificate of Exhaustion of the Quick Response Fund

The maximum expenditure arising out of any single disaster is 100 times of the LGU contribution to be released in two equal tranches.

The second tranche shall be released only upon full liquidation of the first tranche released.

The maximum release shall not exceed Eighty percent (80%) of the total calamity fund. If the total claims arising out of a single disaster should exceed Eighty percent (80%) of the total Calamity Fund, the pay-out shall be pro-rated amongst the claimants.

CHAPTER III

SUPPLETORY PROVISIONS

- **SECTION 6. ASSURANCE PAYMENTS** The Calamity Fund may be used to pay premiums for securing catastrophic insurance for public infrastructures of LGUs.
- **SECTION 7. USAGE OF FUND** The Solidarity Fund shall be used exclusively for disaster response and recoveries for LGUs and the payment of catastrophic insurance premiums.
- **SECTION 8. TRANSITORY PROVISION** Existing industries, businesses and offices affected by the implementation of this Act shall be given six **(6)** months transitory period from the effectivity of the IRR or such other period as may be determined, to comply with the requirements of this Act.

SECTION 9. IMPLEMENTING RULES AND REGULATIONS. – The departments and agencies charged with carrying out the provisions of this Act shall, within sixty **(60)** days after the effectivity of this Act, formulate the necessary rules and regulations for its effective implementation.

CHAPTER IV

MISCELLANEOUS PROVISIONS

- **SECTION 10. REPEALING CLAUSE**. All laws, decrees, executive orders, rules and regulations, or parts thereof inconsistent with the provisions of this Act are hereby repealed or modified accordingly.
- **SECTION 11. SEPARABILITY CLAUSE**. If, for any reason, any section or provision of this Act is held unconstitutional or invalid, the other sections or provisions hereof shall not be affected thereby.
- **SECTION 12. EFFECTIVITY CLAUSE**. This Act shall take effect after fifteen (15) days from its publication in the Official Gazette or in at least two (2) national newspapers of general circulation whichever comes earlier.

Approved,