

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

SEVENTEETH CONGRESS
First Regular Session

House Bill No. **1297**

HOUSE OF REPRESENTATIVES	
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REGISTRATION UNIT BILLS AND INDEX SERVICE	

Introduced by Honorable Florida P. Robes

**AN ACT DECLARING THE CITY OF SAN JOSE DEL MONTE,
PROVINCE OF BULACAN AS AN ENTERPRISE CITY AND FOR OTHER PURPOSES**

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

SECTION 1. Short Title. – This Act shall be known as the “San Jose Del Monte Enterprise City Act”.

SEC. 2. Declaration of Policy. – It is hereby declared the policy of the State to encourage and promote the attainment of a sound and balanced industrial, economic and social development in the country through the promotion of private enterprises. Towards this end, the State shall endeavor to establish special economic zones in suitable and selected areas in the country where enterprises will be given incentives to create an environment conducive to business. This shall be the means to attract local and foreign investors; general employment opportunities, and encourage the regional dispersal industries.

SEC. 3. Creation. In accordance with the foregoing policy and subject to the concurrence of the city government of San Jose Del Monte, Province of Bulacan affected by the zone, the City of San Jose Del Monte is hereby declared as an Enterprise City. Its specific mete and bounds shall be more particularly defined in an executive decree that shall be issued for this purpose.

SEC. 4. Governing Principles. – As an Enterprise City, the following principles shall operate:

- a) Within the framework and limitations of the Constitution and the applicable provisions of the Local Government Code, the City shall be developed into a decentralized, self-reliant and self-sustaining agro-industrial, commercial, financial, investment and tourist center with suitable retirement and residential areas. It shall be provided with transportation, telecommunications, and other facilities needed to attract legitimate and productive foreign investments, generate linkage industries and employment opportunities for the people of San Jose Del Monte City and its neighboring towns and cities.
- b) The City may establish mutually beneficial economic relations with other entities within the country, subject to the administrative guidance of concerned government agencies, foreign entities or enterprises.
- c) Foreign citizens and companies owned by non-Filipinos in whatever proportion may set up enterprises in the City, either by themselves or in joint venture with Filipinos in any sector of industry, international trade and commerce within the City.

- d) Business establishments within the City shall be entitled to the existing fiscal incentives as provided for under Book VI of Executive Order No. 226, otherwise known as the Omnibus Investment Code of 1987, and such incentives, benefits or privileges presently enjoyed by business establishments operating within the Enterprise City.
- e) Any provisions of existing laws, rules or regulations to the contrary notwithstanding, no taxes, local and national, shall be imposed on business establishments operating within the City. In lieu of paying taxes, said business establishments shall pay and remit to the national government two percent (2%) of their gross income. In addition, they shall remit to the city government of San Jose Del Monte five percent (5%) of their gross income, to be allocated as follows:
 - (1) Four percent (4%) to the City of San Jose Del Monte; and
 - (2) One percent (1%) to the barangay special development fund, which is hereby created, for the development and improvement of the barangays within the City of San Jose Del Monte.
- f) Except as otherwise provided herein, the local government unit/s embraced within the Enterprise City shall retain and maintain their basic autonomy and identity. San Jose Del Monte City shall operate and function in accordance with Republic Act No. 7160, otherwise known as the Local Government Code of 1991.

SEC. 5. Governing Body. To carry out the purpose of this Act, a special committee is hereby created which shall be composed of:

- a. Chairman - City Mayor
- b. Vice-Chairman - Congressional Representative
- c. Six Members consisting of:
 - (1) 2 representatives from the City Council
 - (2) 2 members from the business sector
 - (3) 1 member from the group of barangay chairmen
 - (4) 1 member from a non-government organization

Members of the Board shall receive a reasonable per diem which shall be fixed by the Chairman for every Board Meeting: provided, however, that the total per diem collected each month shall not exceed the equivalent of four (4) meetings. Such per diem shall not be more than Ten thousand pesos (Php 10,000.00) for every Board meeting.

SEC. 6. Powers and Functions. - The Special Committee shall have the following functions:

- (a) To operate, administer, and manage the City according to the principles and provisions set forth in this Act and its Charter;
- (b) To recommend to the President the issuance of a proclamation;
- (c) To register, regulate and supervise the enterprises in the City in an efficient and decentralized manner;
- (d) To regulate and undertake the establishment, operation and maintenance of utilities, other services and infrastructure in the City such as light and power, water supply, telecommunications, transport, toll roads and bridges, etc., and to fix reasonable and competitive rates, fares, charges and prices therefore;

- (e) To construct, acquire, own, lease, operate and maintain on its own or through others by virtue of contracts, franchises, licenses, or permits under any of the schemes allowed under existing laws, or in joint venture with the private sector, any or all of the public utilities and infrastructure required or needed in the City in coordination with appropriate national and local government authorities and in conformity with applicable laws thereon;
- (f) To operate on its own, either directly or through a subsidy entity, or license to other tourism related activities, including games, amusements and recreational and sports facilities;
- (g) Within the limitation provided by law, to raise or borrow adequate and necessary funds from local or foreign sources to finance its projects under this Act, and for that purpose to issue bonds, promissory notes, and other forms of securities, and to secure the same by a guarantee, pledge, mortgage, deed of trust, or an assignment of all part of its property or assets; and
- (h) To protect, preserve, maintain and develop the virgin forests and land areas within the City;

SEC. 7. Government Agency Support and Coordination. – The Special Committee is hereby authorized to call upon any department, bureau, agency or instrumentality of the government for such assistance as may be necessary to effectively implement this Act.

SEC. 8. Separability Clause – If any provision of this Act shall be held unconstitutional or invalid, the other provisions not otherwise affected shall remain in full force and effect.

SEC. 9. Repealing Clause. – All laws, executive orders or issuance, any parts thereof which are inconsistent herewith, are hereby repealed or amended accordingly.

Sec. 10. Effectivity Clause.- This Act shall take effect upon its approval.

Approved,



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EXPLANATORY NOTE

The City of San Jose Del Monte, a first class suburb city in the province of Bulacan, is the 19th most populated city in the Philippines based on the 2015 census. After becoming a component city by virtue of the passage of its charter, major economic changes have begun to emerge. Today, major malls, commercial banks, fast food chain outlets, real estates, and wide coverage of service utilities have spawned its development. Soon, many other business enterprises will rise. Furthermore, the city is the preferred site of at least forty (40) relocation sites of the national government. Its economic growth will continue in the coming years. Therefore, a proper institutional mechanism must be established in order not to stall such progress.

It is hereby declared a mandate of the State that the principles enunciated in the 1987 Constitution, particularly Sec. 20, Art II and Sec 12, Art XII, be translated into action. Although Republic Act No. 9716, otherwise known as " The Special Economic Zone Act of 1995", as amended, did not identify the city as a special economic zone (SEZ), its present stature qualifies it as such. There are thriving estates (industrial, commercial and residential), tourists/recreational facilities, commercial centers, banks, financial centers in the city to merit as SEZ.

Considering some limitations, the Bill is only seeking the declaration of the city as an Enterprise City, imbued with powers and functions that will stir its economic development. If it is declared an as such, the most compelling benefit is that it would enable the city to collaborate with private corporations as well as public entities efficiently. Also, it would offer major competitive advantages among entrepreneurs in the area.

Premises considered, the passage of the Bill is earnestly sought.


FLORIDA P. ROBES