

Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City

EIGHTEENTH CONGRESS
First Regular Session

2313
HOUSE BILL NO. _____



Introduced by HONORABLE WES GATCHALIAN

AN ACT
ESTABLISHING A BUSINESS PERMIT AND LICENSING OFFICE IN
EVERY CITY OR MUNICIPALITY IN THE COUNTRY

EXPLANATORY NOTE

The Philippines is the 13th most populated country in the world and is ranked 39th in terms of nominal GDP per International Monetary Fund (IMF) outlook October 2018 for year 2019 and 2023. However, the country only placed 124th in the Doing Business 2019, a World Bank Group flagship report which provides objective measures of business regulations and their enforcement across 190 economies and selected cities at the subnational and regional level. This means that Philippines' doing business ranking plummeted from the previous rankings of 113th in 2017 and 99th in 2016 in the same report.

Of the nine doing business indicators, the country performed the poorest in terms of starting a business indicator. In 2018, Republic Act 11032 otherwise known as "Ease of Doing Business and Efficient Government Service Delivery Act of 2018" was enacted to improve government transactions through the adoption of simplified requirements and procedures that will reduce red tape and expedite business and nonbusiness related transactions in the government.

Through the creation of a Business Permits and Licensing Office in every local government unit in the country, this bill aims to address this longstanding problem which had kept the country from realizing its full economic potential.

An intensified effort from the national government as well as in the local sphere will result in a more vibrant and thriving economic atmosphere

conducive to growth and confidence. The growth at every level of government shall ultimately translate into an increase in decent employment opportunities for all and efficient delivery of government services which will benefit the nation as a whole.

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



WES GATCHALIAN

Representative, 1st District
Valenzuela City

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

1 **Section 1. Short Title.** - This Act shall be known as the "*Business*
2 *Permit and Licensing Office.*"

3 **Sec. 2. Declaration of Policy.** - It shall be the policy of the State to
4 constantly improve the delivery of front line services of government, promote
5 and establish policies to ensure ease of doing business, as well as simplify
6 systems, structures, and procedures in the issuance of business permits
7 and licenses.

8 **Sec. 3. Creation of a Business Permit and Licensing Office.** -
9 There is hereby created a Business Permits and Licensing Office, hereinafter
10 referred to as the Office, which shall, among others, handle the issuance of
11 business permits and licenses as well as formulate and implement policies
12 and proactive measure to increase local employment, draw local and foreign
13 investments, and increase local revenues.

14 **Sec. 4. Powers, Duties and Functions.** - The Business Permits and
15 Licensing Office (BPLO) shall be responsible for the following:

16 a. Processing of business permits and licenses as well as
17 occupational permits, including the assessment of business taxes,
18 fees and charges of the various businesses in the city or municipality.
19 Provided, however, that all assessments are subject to the authority of
20 the local treasurer to conduct examination of books of accounts as
21 well as all other authorities as provided in the Local Government Code
22 (LGC);

1
2 b. Monitoring and enforcement of the applicable tax
3 ordinances and other pertinent laws, ordinances, rules and
4 regulations in the operations of businesses and occupations within
5 the jurisdiction of the LGU;
6

7 c. Formulation of policies as a proactive measure to draw
8 local and foreign investments especially in priority areas/industries
9 and as a tool to define the development thrust of the LGU;
10

11 d. Initiate, review and recommend to the Mayor revenue-
12 generating measures to increase local revenues;
13

14 e. Enforcement of the LGUs Tax Ordinances and other
15 pertinent laws, ordinances, and rules and regulations;
16

17 f. Sit as a member of the Local Finance Committee, Local
18 Investment Board and such other bodies as the Mayor shall identify;
19 and
20

21 g. Perform such other function as may be provided by law.

22 **Sec. 5. Appointment of the Chief, BPLO.** - The Business Permits
23 and Licensing Office (BPLO) shall be headed by a Chief, with the rank and
24 salary of a Department Head. He/She shall be qualified by the Promotion
25 Board of the LGU. The position of Chief, BPLO, shall henceforth be included
26 under the mandatory appointive local officials common to all municipalities,
27 cities and provinces under Book III, Title Five of Republic Act No. 7160
28 otherwise known as the *Local Government Code*.

29 **Sec. 6. Composition and Office Structure.** - The Business Permits
30 and Licensing Office (BPLO) shall be composed of three (3) principal
31 divisions, namely:

32 a. *Administrative Division* – This division is tasked to handle
33 the administrative function of the Investments and Business Permits
34 and Licensing Office (IBPLO);
35

36 b. *Business Permits and Licensing/Occupational Permits*
37 *Division* – This division shall act on all applications for business
38 and/or mayor's permits and occupational permits as required under
39 applicable law, ordinance, rules and regulations;
40

1 c. Investments Division – This division is tasked to craft
2 policies which shall increase local investments in the local government
3 in coordination with concerned offices;
4

5 d. *Inspection Division* – this division shall handle the
6 technical function of the Office through:

7
8 i. Tax mapping and regular inspections of all
9 business establishment existing and/or operating within
10 the territorial jurisdiction of the LGU;
11

12 ii. Issue and/or implement necessary notices
13 and/or orders to the concerned establishments; and
14

15 iii. Perform such other matters and functions
16 that may be assigned by the Chief, BPLO.

17 **Sec. 7. Staffing Pattern.** - For purposes of the creation of the
18 Business and Permits and Licensing Office (BPLO), officers and employees of
19 the Municipality or City holding permanent appointments shall be given
20 preference for appointment to the new positions created. All other personnel
21 currently employed in this office shall be prioritized by the Promotion Board,
22 provided, they are eligible and qualified for such position.

23 No new employees shall be taken in until all permanent employees
24 have been appointed, including temporary and casual employees who
25 possess the necessary qualification requirements, among which is the
26 appropriate civil service eligibility, for permanent positions.

27 The Office shall determine its organizational structure and create new
28 divisions or units as it may deem necessary, and shall appoint officers and
29 employees in accordance with the Civil Service law, rules and regulations.

30 **Sec. 8. Appropriation.** The corresponding appropriations shall be
31 charged against any available funds in the Annual Budget of the LGU. The
32 corresponding appropriations therefor shall be incorporated in all
33 succeeding annual executive budgets in years thereafter.

34 **Sec. 9. Implementing Rules and Regulations.** The Office, in
35 coordination with concerned offices in the local government unit and in
36 consultation with the stakeholders shall, within ninety (90) days from the
37 effectivity of this Act, issue the necessary rules and regulations for the
38 effective implementation of this Act.

1 **Sec. 10. Separability Clause.** If any part or provision of this Act is
2 held unconstitutional or invalid, the other parts or provision hereof which
3 are not affected thereby shall continue to be in full force and effect.

4 **Sec. 11. Repealing Clause.** All laws, orders, rules or regulations.
5 Which are inconsistent or contrary to the provisions of this Act are hereby
6 amended or repealed accordingly.

7 **Sec. 12. Effectivity.** This Act shall take effect fifteen (15) days after
8 its complete publication in the Official Gazette or in at least two (2) national
9 newspaper of general circulation

10 Approved.