

Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City

EIGHTEENTH CONGRESS
First Regular Session

HOUSE BILL NO. 5535



Introduced by Representative Paul Ruiz Daza

EXPLANATORY NOTE

Recognizing the indispensable and crucial role of capital towns in the economic, political and socio-cultural development of provinces in the country, it is urgent to revisit and amend the provisions of the Local Government Code of 1991, as amended, especially the minimum locally generated average annual income requirement for cityhood at One Hundred Million pesos (Php100,000,000.00) for the last two (2) consecutive years based on year 2000 constant prices.


This requirement unduly restricts and unfairly impedes capital towns of provinces in maximizing their role as centers for economic, political and socio-cultural growth, particularly in provinces without cities, thus virtually consigning such provinces to perpetual underdevelopment – which clearly is not the intent nor import of the Local Government Code of 1991. This is particularly so as regards the poorest provinces as shown by the statistics of the Philippine Statistics Authority (PSA).

By elevating the status of these municipalities into component cities, they will be granted more autonomy, taxation powers and an increased share in the internal revenue allotment, thereby further capacitating them to improve the lives and well-being of their populace, especially the poor.

Moreover, their cityhood will invigorate the investment climate in the locality. Their empowerment will also redound to the beneficial development of the other neighboring towns within the province.

Converting into cities the capital towns of provinces without cities and which are classified among the 20 poorest provinces by the PSA will put them at par with the other existing capital cities and enable them to equally and fairly enjoy the benefits of cityhood, thereby in the final analysis, fostering and advancing the economic, political and socio-cultural foundations of the country as a whole.

Hence, the approval of this bill is earnestly sought.


PAUL RUIZ DAZA

Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City

EIGHTEENTH CONGRESS
First Regular Session

HOUSE BILL NO. 5535

Introduced by Rep. Paul Ruiz Daza

AN ACT
CONVERTING INTO COMPONENT CITIES THE CAPITAL TOWNS OF
PROVINCES WITHOUT A CITY AND WHICH ARE AMONG THE TWENTY
POOREST PROVINCES AS OF THE FIRST SEMESTER OF 2018, CLASSIFIED AS
SUCH BY THE PHILIPPINE STATISTICS AUTHORITY (PSA), AMENDING FOR
THE PURPOSE SECTION 450 OF REPUBLIC ACT NO. 7610, AS AMENDED BY
REPUBLIC ACT NO. 9009, OTHERWISE KNOWN AS THE LOCAL
GOVERNMENT CODE OF 1991, AND FOR OTHER PURPOSES.

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

Section 1. Section 450 of Republic Act No. 7610, as amended by Republic Act No. 9009, is hereby amended as follows:

“Section 450. *Requisites for Creation* – (a) A municipality or a cluster of barangays may be converted into a component city if it has locally generated average annual income, as certified by the Department of Finance, of at least One Hundred Million Pesos (Php100,000,000.00) for the last two (2) consecutive years based on the 2000 constant prices; and (b.) if it has either of the following requisites:

- (i.) A contiguous territory of at least one hundred (100) square kilometers, as certified by the Land Management Bureau; or
- (ii.) A population of not less than one hundred fifty thousand (150,000) inhabitants, as certified by the [National Statistics Authority] **Philippine Statistics Authority:**

Provided, that capital towns of provinces where there is no existing city and which are among the twenty (20) poorest provinces classified as such by the Philippines Statistics Authority as of the first semester of 2018 are hereby converted into component cities regardless of their locally generated average annual income.

The creation hereof shall not reduce the land area, population and income of the original unit or units at the time of said creation to less than the minimum requirements prescribed herein.”

Section 2. Plebiscite – Existing capital towns qualified under this Act are hereby converted into component cities upon approval by a majority of the votes cast in a plebiscite to be held in the said capital towns. The Department of Interior and Local Government (DILG) shall submit to the Commission on Elections (COMELEC) the list of capital towns, which qualify under this Act, within thirty (30) days from the effectivity of this Act.

The COMELEC shall conduct and supervise such plebiscite in qualified capital towns within (90) days from receipt of the said list. The expenses for such plebiscite shall be borne by the capital towns concerned.

Section 3. Applicability of Laws – The provisions of Republic Act No. 7169, otherwise known as the Local Government Code of 1991 and other laws as are applicable to cities shall govern the capital towns, which are converted into cities under the immediately preceding sections, insofar as they are not inconsistent with the provisions of this Act.

Section 4. Rules and Regulations – The DILG shall issue the necessary rules and regulations within thirty (30) days after the effectivity of this Act.

Section 5. Effectivity – This Act shall take effect after fifteen (15) days following its complete publication in at least two (2) national newspapers of general circulation.

Approved,