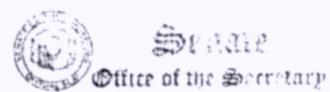


EIGHTEENTH CONGRESS OF THE
REPUBLIC OF THE PHILIPPINES)
First Regular Session)



Senate
Office of the Secretary

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SENATE

S. No. 1061

RECEIVED ON

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Introduced by Senator Ralph G. Recto

AN ACT

PROVIDING FOR REMUNERATION, BENEFITS, ALLOWANCES, AND OTHER ENTITLEMENTS FOR FRONTLINE CIVIL SERVANTS AT THE BARANGAY LEVEL, ESTABLISHING FOR THE PURPOSE A MAGNA CARTA FOR BARANGAY OFFICIALS, PERSONNEL AND VOLUNTEER WORKERS, AND FOR OTHER PURPOSES

EXPLANATORY NOTE

Barangay officials and volunteer workers, due to their proximity to the people, are the front-line civil servants and primary public service providers on matters concerning public health, public order and safety, environmental protection, alternative dispute resolution, and even disaster risk reduction and management. As such, the national government depends considerably on the capability of barangay officials, personnel and volunteer workers, especially in remote areas of the country, in coordinating and implementing various government interventions at the grassroots level.

Yet despite the Herculean task the national government has imposed on the barangay government, the national government has yet to provide barangay officials, personnel and volunteer workers with a compensation scheme that is commensurate with the role they perform in the delivery of social services. Barangay officials, personnel and volunteer workers are ranked the lowest among all civil servants in terms of remuneration, benefits and privileges enjoyed and received.

This bill is endorsed in recognition of the significant contribution of barangay officials and volunteer workers in nation-building. This bill mandates the creation of a distinct Position Classification and Compensation Scheme for Barangay Officials, Personnel and Volunteer Workers that will govern the dispensation of salaries, honoraria and other benefits and allowances to the manpower complement of the barangay government. It directs the membership of barangay officials, personnel and volunteer workers to the Social Insurance Program of the Government Service Insurance System, the National Health Insurance Program of the Philippine Health Insurance Corporation, and the Mandatory Membership Program of the Home Development Mutual Fund to ensure that barangay officials, personnel and volunteer workers are covered against insurable financial risks.

Moreover, the bill provides additional benefits to qualified barangay officials, personnel and volunteer workers such as hazard allowances, death and burial benefits, and legal indemnification. To finance this undertaking, this bill shall source funding from the additional proceeds arising from the share of local government units in the national taxes collected by the Bureau of Customs in accordance with the decision of the Supreme Court in *Mandanas vs. Executive Secretary*, G.R. No. 199802 dated July 3, 2018.

These interventions are made with the intention of creating a motivated, competent corps of frontline public service providers through the promotion of the welfare of those who ensure the safety, security, amity and well-being of Filipino communities in times of peace and crisis.

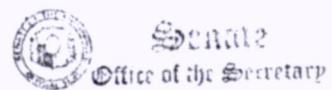
In light of the foregoing, immediate passage of the bill is earnestly sought.



RALPH G. RECTO

/mdg

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

1 **TITLE I**

2 **GENERAL PROVISIONS**

3 Section 1. *Title.* – This Act shall be known as the “*Magna Carta for Barangay Officials, Personnel and Volunteer Workers.*”

5 Sec. 2. *Declaration of Policy.* – It is hereby declared the policy of the State to
6 empower government officials and personnel, and public volunteer workers especially
7 at the grassroots level. In line with this policy and in cognizance of the crucial role of
8 barangay officials and volunteer workers in nation-building, the State shall, through
9 the recognition of their rights as civil servants and the provision of remuneration,
10 benefits, allowances and other entitlements commensurate to the service they render
11 to the country, ensure the promotion of the rights and welfare of barangay officials,
12 personnel and volunteer workers and the faithful execution of their duties and
13 functions.

14 Sec. 3. *Definition of Terms.* – For the purpose of this Act:

15 (a) *Barangay Elective Officials* shall refer to the following: the *Punong Barangay;* Members of the *Sangguniang Barangay;* Chairperson of the *Sangguniang Kabataan;* and Members of the *Sangguniang Kabataan;*

1 (b) *Barangay Appointive Officials* shall refer to the following: Barangay
2 Secretary; and Barangay Treasurer; Members of the *Lupong Tagapamayapa*;
3 Secretary of the *Sangguniang Kabataan*; and Treasurer of the *Sangguniang Kabataan*;

4 (c) *Barangay Personnel* shall refer to other personnel of the barangay who
5 perform regular functions in the maintenance of public order, protection and security
6 of life and property, settlement of disputes, preservation of a desirable and balanced
7 environment or delivery of basic social services within the jurisdiction of the barangay
8 government who receives compensation in the form of salary or honorarium; and

9 (d) *Barangay Volunteer Workers* shall refer to individuals who have undergone
10 basic training courses conducted by government agencies or non-government
11 organizations and who voluntarily provide ancillary social services in a barangay under
12 a memorandum of agreement between the volunteer worker and the barangay
13 government concerned.

14 Sec. 4. *Coverage.* – This Act shall apply to all barangay officials, personnel, and
15 volunteers as defined in Section 3 of this Act: *Provided*, That when the barangay
16 official, personnel or volunteer worker receives a fixed salary by virtue of a permanent
17 appointment in any other government office, by election to another public office or by
18 employment in the private sector, their coverage under this Act shall automatically
19 cease and they shall then be covered under the appropriate laws.

20 **TITLE II**

21 **RIGHTS, PRIVILEGES AND ENTITLEMENTS OF**

22 **BARANGAY OFFICIALS, PERSONNEL AND VOLUNTEER WORKERS**

23 Sec. 5. *Position Classification and Compensation Scheme for Barangay Officials,*
24 *Personnel and Volunteer Workers.* – Barangay officials, personnel and volunteer
25 workers shall be entitled to salaries, benefits or allowances as compensation for
26 services they rendered. The Department of Budget and Management (DBM) shall
27 develop a standardized Position Classification and Compensation Scheme for Barangay
28 Officials, Personnel, and Volunteer Workers, taking into consideration the educational
29 qualification and nature of work performed and the financial capability of barangays,
30 and subject to the minimum qualification standards and guidelines to be prescribed
31 by the Civil Service Commission (CSC). Such position classification and compensation
32 and compensation scheme shall conform with the following guidelines:

1 (a) The Position Classification and Compensation Scheme for Barangay
2 Officials and Personnel shall be comprised of three salary grades, namely:

- 3 i. Barangay Salary Grade I for barangay appointive officials and other
4 barangay personnel;
- 5 ii. Barangay Salary Grade II for barangay elective officials in the
6 *Sangguniang Barangay* and *Sangguniang Kabataan* with the exception of the
7 *Punong Barangay*; and
- 8 iii. Barangay Salary Grade III for *Punong Barangay*.

9 (b) The minimum salary for barangay officials and personnel shall be as
10 follows:

Barangay Salary Grade I	5,000
Barangay Salary Grade II	7,500
Barangay Salary Grade III	10,000

14 The minimum salary indicated herein may be increased to a maximum rate equivalent
15 to the first step of the following salary grade level and its corresponding salary being
16 implemented by the city or municipality where the barangay belongs:

Barangay Salary Grade I	Salary Grade 6
Barangay Salary Grade II	Salary Grade 10
Barangay Salary Grade III	Salary Grade 14

20 *Provided*, That no barangay official or personnel shall suffer any reduction, diminution
21 or withdrawal of salaries and benefits already enjoyed by the barangay official or
22 personnel concerned: *Provided, further*, That the grant of adjusted basic salary shall
23 be subject to limitations provided under Section 14 of this Act.

24 (c) Barangay volunteer workers shall be entitled to honoraria and other
25 benefits, incentives or allowances to be determined in accordance with this Act.

26 Sec. 6. *Membership of Barangay Officials and Personnel in the Government*
27 *Service Insurance System*. – The Government Service Insurance System (GSIS) shall
28 establish a social insurance program to provide life insurance and social protection to
29 barangay officials and personnel.

30 It shall be mandatory for barangay governments to pay the monthly
31 contributions to life insurance, retirement, and social protection coverage of their
32 respective barangay officials and personnel equivalent to twenty-one percent (21%)

1 of their average monthly compensation, which corresponds to the twelve percent
2 (12%) barangay government contribution and the nine percent (9%) employee
3 contribution to be subsidized by the barangay government.

4 Barangay governments shall include in its annual appropriations the amounts
5 necessary for its share of contributions, plus any additional premiums that may be
6 required on account of the hazards or risks of the occupation of barangay officials and
7 personnel. The mode of collection and remittance of contributions, including penalties
8 for violations thereof, shall be in accordance with Republic Act No. 8291, otherwise
9 known as "*The Government Service Insurance System Act of 1997*."

10 *Sec. 7. Enrolment of Barangay Officials and Personnel in the National Health
11 Insurance Program of the Philippine Health Insurance Corporation.* – The Philippine
12 Health Insurance Corporation (PhilHealth) shall enroll barangay officials and personnel
13 into the National Health Insurance Program in accordance with existing laws, rules
14 and regulations.

15 Barangay governments shall include in its annual appropriations the amounts
16 necessary for its share of contributions. The amount of contributions due from
17 barangay officials and personnel and barangay governments, mode of collection and
18 remittance of contributions, including penalties for violations thereof, shall be in
19 accordance with Republic Act No. 7875, as amended, otherwise known as the
20 "*National Health Insurance Act of 1995*."

21 *Sec. 8. Membership of Barangay Officials and Personnel in the Mandatory
22 Membership Program of the Home Development Mutual Fund.* – Barangay officials and
23 personnel shall be covered under the mutual provident savings system of the Home
24 Development Mutual Fund (PagIBIG Fund).

25 Barangay governments shall include in its annual appropriations the amounts
26 necessary for its share of contributions. The amount of contributions due from
27 barangay officials and personnel and barangay governments, mode of collection and
28 remittance of contributions, including penalties for violations thereof, shall be in
29 accordance with Republic Act No. 9679, otherwise known as the "*Home Development
30 Mutual Fund Law of 2009*."

1 Sec. 9. *Hazard Allowance.* – Barangay officials, personnel and volunteer
2 workers who render service in areas declared under state of calamity or emergency
3 shall be entitled to a hazard allowance equivalent to ten percent (10%) of their
4 monthly salary or honoraria, whichever is applicable, until such declaration has been
5 lifted by a competent authority.

6 Sec. 10. *Death and Burial Benefits.* – In the event of death of barangay officials,
7 personnel, and volunteer workers during their incumbency, their respective legal
8 beneficiaries shall be entitled to the following death and burial benefits:

- 9 (a) Barangay Salary Grade I – Five thousand pesos (P5,000.00);
10 (b) Barangay Salary Grade II – Fifteen thousand pesos (P15,000.00); and
11 (c) Barangay Salary Grade III – Twenty-five thousand pesos (P25,000.00)

12 In addition to the death benefits herein provided, a burial benefit of Two
13 thousand pesos (P2,000.00) shall be paid to the beneficiaries of barangay officials,
14 personnel and volunteer workers within twenty-four (24) hours after written notice
15 and satisfactory proof of death.

16 In case the death of a barangay official, personnel or volunteer worker occurred
17 by reason, or on the occasion of the performance of their official duties and functions,
18 the legal beneficiaries of the barangay officials, personnel, or volunteer worker
19 concerned shall be entitled to twice the death and burial indemnity provided herein.

20 Sec. 11. *Civil Service Eligibility.* – Qualified barangay officials, personnel and
21 volunteer workers shall be conferred with the appropriate civil service eligibility in
22 accordance with existing laws, rules and regulations.

23 Sec. 12. *Legal Indemnification.* – Barangay officials and personnel shall be
24 entitled to an equitable legal indemnification package in the form of legal assistance
25 and other forms of legal protection and indemnification for all legal costs and expenses
26 reasonably incurred in any administrative, civil, or criminal action, suit or proceeding
27 to which they have been made a party by reason of the performance of their official
28 functions or duties, unless they are finally adjudged in such action or proceeding to
29 be guilty of an offense.

30 Sec. 13. *Employment Preference in Agencies and Instrumentalities of
31 Government.* – Qualified barangay personnel and volunteer workers shall be accorded
32 with preferential treatment in employment with national government agencies, local

1 government units, or government-owned or -controlled corporations, subject to the
2 minimum standards and guidelines prescribed by the CSC, and in accordance with
3 existing laws, rules and regulations.

4 **TITLE III**

5 **FINAL PROVISIONS**

6 Sec. 14. *Limitation on Personnel Services Appropriation for Barangays.* – The
7 budget ceiling for annual personnel services appropriations of fifty-five percent (55%)
8 of the total annual income actually realized from local sources during the next
9 preceding fiscal year, as provided in Section 331(b) of Republic Act No. 7160, as
10 amended, otherwise known as the "Local Government Code of 1991," shall apply.

11 Sec. 15. *Barangay Miscellaneous Personnel Benefits Trust Fund.* – Any
12 unexpended balance from the local government share from the national taxes
13 collected by the Bureau of Customs (BOC) as provided in Section 17 of this Act after
14 the payment of salaries, honoraria to barangay officials, personnel and volunteer
15 workers as provided in Section 5 of this Act, and remittance of mandatory
16 contributions to GSIS, PhilHealth and PagIBIG Fund as provided in Sections 6, 7, and
17 8 of this Act shall constitute a trust fund to be known as the "Barangay Miscellaneous
18 Personnel Benefits Trust Fund" and shall be administered by the DBM. The Barangay
19 Miscellaneous Personnel Benefits Fund, including any interest income that may accrue
20 therein, shall be set aside and earmarked by Congress for the following purposes:

21 (a) Provision of additional insurance premiums that may be required on
22 account of the exposure of barangay officials and personnel to hazards or risks of their
23 occupation in accordance with Section 6 of this Act;

24 (b) Provision of Hazard Allowance for barangay officials, personnel and
25 volunteer workers in accordance with Section 9 of this Act;

26 (c) Provision of Death and Burial Benefits for barangay officials, personnel and
27 volunteer workers in accordance with Section 10 of this Act;

28 (d) Provision of Legal Indemnification Package for qualified barangay officials,
29 personnel and volunteer workers in accordance with Section 12 of this Act; and

30 (e) Provision of other allowances and benefits for barangay officials, personnel
31 and volunteer workers in accordance with the provisions of this Act: *Provided*, That
32 the DILG shall, upon the approval of the DBM and in accordance with existing laws,

1 rules and regulations, identify the benefit and allowances that may be provided to
2 barangay officials, personnel and volunteer workers and the corresponding amount
3 thereof: *Provided, further,* That the grant of other allowances and benefits shall be
4 subject to limitations provided under Section 14 of this Act.

5 *Sec. 16. Registry System for Barangay Officials, Personnel and Volunteer*
6 *Workers.* – The Department of the Interior and Local Government (DILG) shall
7 develop, maintain and update a registry system for barangay officials, personnel and
8 volunteer workers to effectively implement the provisions of this Act. The registry
9 system shall be the basis for the release of appropriations for the payment of salaries
10 and honoraria to barangay officials, personnel and volunteer workers as provided in
11 Section 5 of this Act, and the remittance of mandatory contributions to GSIS,
12 PhilHealth and PagIBIG Fund as provided in Sections 6, 7, and 8 of this Act.

13 *Sec. 17. Appropriations.* – The amount necessary for the implementation of the
14 provisions of this Act shall be sourced from the share of local government units from
15 the national taxes collected by the BOC based on the collection of the third fiscal year
16 preceding the current fiscal year: *Provided,* That in the event that such amount is
17 insufficient to effectively implement the provisions of this Act or when the amount
18 exceeds the limitations on Personnel Services as provided in Section 14 of this Act,
19 the *Sangguniang Barangay* concerned shall formulate a mechanism to prioritize and
20 adjust the compensation package provided under this Act: *Provided, further,* that such
21 mechanism shall allocate the provision for salaries, honoraria, benefits or allowances
22 proportionally and uniformly across all barangay salary grades in the barangay
23 government concerned.

24 *Sec. 18. Implementing Rules and Regulations.* – The DILG shall, in coordination
25 with the DBM, Department of Finance, CSC, *Liga ng mga Barangay*, and other
26 government agencies concerned, promulgate the necessary implementing rules and
27 regulations within thirty (30) days upon the effectivity of this Act.

28 *Sec. 19. Separability Clause.* – If any provision, section or part of this Act shall
29 be declared unconstitutional or invalid, such judgment shall not affect, invalidate or
30 impair any other provisions, sections or parts hereof.

1 Sec. 20. *Repealing Clause.* – All laws, acts, decrees, executive orders,
2 issuances, and rules and regulations or parts thereof which are contrary to and
3 inconsistent with this Act are hereby repealed, amended or modified accordingly.

4 Sec. 21. *Effectivity.* – This Act shall take effect fifteen (15) days following its
5 publication in at least two (2) newspapers of general circulation or in the *Official*
6 *Gazette.*

Approved,