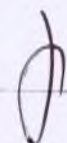


25 AUG -7 P3:05

**TWENTIETH CONGRESS OF THE
REPUBLIC OF THE PHILIPPINES**
First Regular Session

]]]

RECEIVED BY



SENATE

S.B. No. 1115

Introduced by SEN. WIN GATCHALIAN

AN ACT

**STRENGTHENING THE BARANGAY AS THE BASIC LOCAL GOVERNMENT UNIT
BY INCREASING ITS CAPACITY TO DELIVER SERVICES, PROVIDING SALARY
GRADES, RETIREMENT BENEFITS AND OTHER ENTITLEMENTS OF CERTAIN
BARANGAY OFFICIALS, INCREASING THEIR TERM OF OFFICE, AND OTHER
PURPOSES, AMENDING REPUBLIC ACT NO. 7160, OTHERWISE KNOWN AS
THE LOCAL GOVERNMENT CODE OF 1991, AND OTHER RELATED LAWS**

EXPLANATORY NOTE

Section 384 of Republic Act No. 7160 or the Local Government Code of 1991 acknowledges barangays as the basic political unit serving as "the primary planning and implementing unit of government policies, plans, programs, projects, and activities in the community, and as a forum wherein the collective views of the people may be expressed, crystallized and considered, and where disputes may be amicably settled."

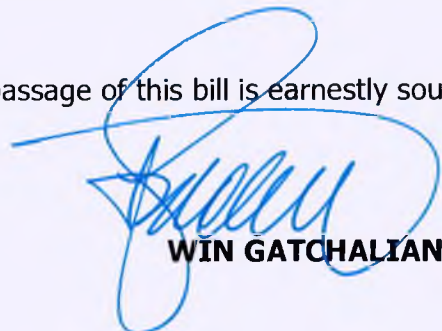
The barangay plays a crucial role in our society, it being a major partner of the national government in responding to development challenges at the grassroots level, particularly on the effective and efficient service delivery to the community. It is a microcosm of the government, which by itself is authorized to enact laws, enforce them,

exercise judicial functions in the performance of its katarungang pambarangay duties, and enforce peace through the tanods. While a barangay's political jurisdiction may be small compared to other local government units (LGUs), they play a big part in the efficient and effective delivery of public services.

Unfortunately, the benefits and privileges provided in the Local Government Code for barangay officials are not commensurate with the herculean task performed by barangays. Barangay officials continue to be ranked the lowest among all civil servants in terms of remuneration, benefits and other privileges received. In order to give LGUs the self-sufficiency envisioned by the government, it is necessary to provide them the environment and support conducive to productive leadership.

Accordingly, this measure mandates the creation of a position, classification and compensation scheme for the Punong Barangay, Sangguniang Barangay members, Barangay Treasurer and Barangay Secretary, and the provision of honoraria and allowances to the members of the Lupon Tagapamayapa and Barangay Tanods. It also extends the tenure of service of the Barangay Chairman and Kagawads to provide a longer implementation period of programs at the barangay level. It creates a Barangay Retirement Gratuity Fund which shall be used to fund the government's share in the retirement gratuity of barangay tanods and members of the Lupon ng Tagapamayapa. It likewise directs the creation of capacity development and enhancement programs for barangay officials to provide the necessary skills support in implementing various government programs. Lastly, it establishes the barangay income classification system to be used in the formulation of a compensation and benefits scheme and grant of honoraria and allowances.

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



WIN GATCHALIAN

TWENTIETH CONGRESS OF THE]
REPUBLIC OF THE PHILIPPINES]
First Regular Session]

Office of the Secretary

25 AUG -7 P3:05

SENATE
S.B. No. 1115

RECEIVED BY:



Introduced by SEN. WIN GATCHALIAN

AN ACT
STRENGTHENING THE BARANGAY AS THE BASIC LOCAL GOVERNMENT
UNIT BY INCREASING ITS CAPACITY TO DELIVER SERVICES, PROVIDING
SALARY GRADES, RETIREMENT BENEFITS AND OTHER ENTITLEMENTS OF
CERTAIN BARANGAY OFFICIALS, INCREASING THEIR TERM OF OFFICE,
AND OTHER PURPOSES, AMENDING REPUBLIC ACT NO. 7160,
OTHERWISE KNOWN AS THE LOCAL GOVERNMENT CODE OF 1991, AND
OTHER RELATED LAWS

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

1 SECTION 1. *Short Title.* – This Act shall be known as the “Magna Carta for
2 Barangay Officials Act”.

3
4 SEC. 2. *Declaration of Policy.* – It is the policy of the State to strengthen,
5 develop, and improve the general welfare of the barangay, its officials and residents.
6 In line with this policy and in cognizance of the crucial role of the barangays through
7 its barangay officials in nation-building, the State shall empower the barangay elective
8 officials and appointive personnel through extending the term of office to better
9 implement programs at the barangay level; provision of salary grades, remuneration,

1 benefits, allowances, retirement benefits and other entitlements commensurate to the
2 status as civil servants of the basic local government units in our country; and ensure
3 the promotion of the capacity and welfare of barangay officials and personnel to
4 safeguard the faithful execution of their duties and functions.

5
6 SEC. 3. Section 43 of Republic Act 7160 (RA 7160), otherwise known as the
7 "Local Government Code of 1991", is hereby amended to read as follows:

8 "Section 43. *Term of Office.* –

9 (a) xxx

10 (b) No local elective official shall serve for more than three (3)
11 consecutive terms in the same position[.], **EXCEPT FOR**
12 **BARANGAY OFFICIALS WHO SHALL NOT SERVE**
13 **FOR MORE THAN TWO (2) CONSECUTIVE TERMS IN**
14 **THE SAME POSITION.** Voluntary renunciation of the
15 office for any length of time shall not be considered as an
16 interruption in the continuity of service for the full term for
17 which the elective official concerned was elected.

18 (c) The term of office of barangay officials and members of
19 the sangguniang kabataan shall be for [~~three (3) years~~]
20 **FIVE (5) YEARS**, [~~which shall begin after the regular~~
21 ~~election of barangay officials on the second Monday of May~~
22 ~~1994.]~~"

23
24 SEC. 4. Section 11 of Republic Act No. 10742, otherwise known as the
25 "Sangguniang Kabataan Reform Act of 2015", is hereby amended to read as follows:

26 "Sec. 11. *Term of Office.* – (a) The chairperson and members
27 of the Sangguniang Kabataan shall hold office for a fixed term
28 of [~~three (3)~~] **FIVE (5)** years unless sooner removed for

1 cause, permanently incapacitated, have died or resigned from
2 office.”

3
4 SEC. 5. Section 1 of Republic Act No. 11462 is hereby amended to read as
5 follows:

6 Section 1. *Date of Election.* – There shall be synchronized
7 barangay and sangguniang kabataan elections, which shall be
8 held on July 15, 2002. Subsequent synchronized barangay and
9 sangguniang kabataan elections shall be held on the last
10 Monday of October 2007 and every three (3) years thereafter:
11 *Provided,* That the barangay and sangguniang kabataan
12 elections on the second Monday of May 2020 shall be
13 postponed to December 5, 2022. Subsequent synchronized
14 barangay and sangguniang kabataan elections shall be held
15 on the first Monday of December 2025 and every [~~three (3)~~]
16 **FIVE (5)** years thereafter.”

17
18 SEC. 6. A new Sec. 389-A of RA 7160 is hereby inserted to read as follows:

19 **Section 389-A. COMPENSATION AND BENEFITS OF**
20 **PUNONG BARANGAY. – THE PUNONG BARANGAY**
21 **SHALL BE CONSIDERED A REGULAR GOVERNMENT**
22 **EMPLOYEE, ENTITLED TO THE FIXED RATE OF AT**
23 **LEAST SALARY GRADE TWELVE (SG-12) UNDER THE**
24 **SALARY STANDARDIZATION LAW, AS AMENDED, AND**
25 **SHALL HENCEFORTH BE ENTITLED TO ALL THE**
26 **BENEFITS PROVIDED BY THE GOVERNMENT WHICH**
27 **SHALL INCLUDE BUT NOT LIMITED TO SALARIES,**
28 **ALLOWANCES, BENEFITS AND INCENTIVES**
29 **APPLICABLE TO ALL GOVERNMENT PERSONNEL.**

SEC. 7. A new Sec. 391-A shall be inserted in RA 7160 to read as follows:

Section 391-A. COMPENSATION AND BENEFITS OF MEMBERS OF SANGGUNIANG BARANGAY. – THE MEMBERS OF THE SANGGUNIANG BARANGAY SHALL BE CONSIDERED AS REGULAR GOVERNMENT EMPLOYEES, ENTITLED TO THE FIXED RATE OF AT LEAST SALARY GRADE TEN (SG-10) UNDER THE SALARY STANDARDIZATION LAW, AS AMENDED, AND SHALL HENCEFORTH BE ENTITLED TO ALL THE BENEFITS PROVIDED BY THE GOVERNMENT WHICH SHALL INCLUDE BUT NOT LIMITED TO SALARIES, ALLOWANCES, BENEFITS AND INCENTIVES APPLICABLE TO ALL GOVERNMENT PERSONNEL.

SEC. 8. Sec. 393 of RA 7160 is hereby amended to read as follows:

Section 393. Benefits of MEMBERS OF THE LUPON TAGAPAMAYAPA AND BARANGAY TANODS. –

(a) ~~[Barangay officials, including]~~ [b] **Barangay tanods and** members of the lupong tagapamayapa, shall receive honoraria, allowances, and such other emoluments as may be authorized by law or barangay, municipal or city ordinance in accordance with the provisions of this Code, but in no case shall it be less than ~~[One]~~ **TWO** thousand pesos ~~[(P1,000.00)]~~ **(P2,000.00)** per month ~~[for the punong barangay and Six hundred pesos (P600.00) per month for the sangguniang barangay members, barangay treasurer, and barangay secretary];~~ *Provided, however, That the annual appropriations for personal services shall be subject to the budgetary limitations prescribed under Title Five, Book II of this Code;*

(b) [~~The punong barangay, the sangguniang barangay members, the barangay treasurer, and the barangay secretary~~] **THE BARANGAY TANODS AND MEMBERS OF**

THE LUPON TAGAPAMAYAPA shall also:

(1) Be entitled to Christmas bonus of [~~at least One thousand pesos (P1,000.00) each~~] **TWO THOUSAND PESOS (P2,000)**, the funds for which shall be taken from the general fund of the barangay or from such other funds appropriated by the national government for the purpose;

(2) xxx

(6) **BE ENTITLED TO A LUMP SUM RETIREMENT GRATUITY PAY EQUIVALENT TO ONE (1) YEAR HONORARIA TO BE TAKEN FROM THE BARANGAY RETIREMENT GRATUITY FUND: PROVIDED, HOWEVER, THAT A RETIREE IS AT LEAST SIXTY (60) YEARS OF AGE WITH A MINIMUM OF NINE (9) YEARS IN SERVICE AT THE TIME OF THE RETIREMENT.**

SEC. 9. Sec. 394-A of RA 7160 is hereby inserted to read as follows:

Section 394-A. *COMPENSATION AND TERM OF OFFICE OF BARANGAY SECRETARY.* – THE BARANGAY SECRETARY SHALL BE CONSIDERED AS A REGULAR GOVERNMENT EMPLOYEE AND ENTITLED TO THE FIXED RATE OF AT LEAST SALARY GRADE EIGHT (SG-8) UNDER THE SALARY STANDARDIZATION LAW, AS AMENDED.

1 THE BARANGAY SECRETARY SHALL BE
2 COTERMINUS WITH THE APPOINTING AUTHORITY
3 UNLESS SOONER REMOVED FOR CAUSE, FOUND TO
4 HAVE FAILED FROM THE DISCHARGE OF THEIR
5 DUTIES, OR HAS COMMITTED ABUSE OF AUTHORITY
6 AS STIPULATED IN EXISTING LAWS PERTAINING TO
7 THE CONDUCT OF PUBLIC OFFICIALS, THROUGH A
8 MAJORITY VOTE OF ALL THE MEMBERS OF THE
9 SANGGUNIANG BARANGAY IN A REGULAR OR
10 SPECIAL ASSEMBLY CALLED FOR THE PURPOSE.
11

12 SEC. 10. Sec. 395 of RA 7160 is hereby amended to read as follows:

13 Sec. 395. *Barangay Treasurer: Appointment, Qualifications,*
14 *Powers and Duties.* – (a) The barangay treasurer shall be
15 appointed by the punong barangay with the concurrence of
16 the majority of all the sangguniang barangay members. [The
17 appointment of the barangay treasurer shall not be subject to
18 attestation by the Civil Service Commission.]

19 (b) xxx
20

21 SEC. 11. Sec. 395-A of RA 7160 is hereby inserted to read as follows:

22 **Section 395-A. COMPENSATION AND TERM OF**
23 **OFFICE OF BARANGAY TREASURER.** – THE BARANGAY
24 TREASURER SHALL BE CONSIDERED AS A REGULAR
25 GOVERNMENT EMPLOYEE AND ENTITLED TO THE
26 FIXED RATE OF AT LEAST SALARY GRADE 8 UNDER
27 THE SALARY STANDARDIZATION LAW.

28 THE BARANGAY TREASURER SHALL BE
29 COTERMINUS WITH THE APPOINTING AUTHORITY

1 **UNLESS SOONER REMOVED FOR CAUSE, FOUND TO**
2 **HAVE FAILED FROM THE DISCHARGE OF THEIR**
3 **DUTIES, OR HAS COMMITTED ABUSE OF AUTHORITY**
4 **AS STIPULATED IN EXISTING LAWS PERTAINING TO**
5 **THE CONDUCT OF PUBLIC OFFICIALS, THROUGH A**
6 **MAJORITY VOTE OF ALL THE MEMBERS OF THE**
7 **SANGGUNIANG BARANGAY IN A REGULAR OR**
8 **SPECIAL ASSEMBLY CALLED FOR THE PURPOSE.**
9

10 SEC. 12. Sec. 399 of RA 7160 is hereby amended to read as follows:

11 Section 399. *Lupong Tagapamayapa.* –

12 (a) There is hereby created in each barangay a lupong
13 tagapamayapa, hereinafter referred to as the lupon,
14 composed of the punong barangay, as chairman and ten
15 (10) [~~to twenty (20)~~] members. The lupon shall be
16 constituted every [~~three (3)~~] **FIVE (5)** years in the
17 manner provided herein.
18

19 SEC. 13. *Creation of Barangay Retirement Gratuity Fund (BRGF).* – The
20 Barangay Retirement Gratuity Fund is hereby created which shall be used to fund the
21 government's share in the retirement gratuity of barangay tanods and members of
22 the Lupon ng Tagapamayapa, as mentioned in this Act. The amount equivalent to one
23 percent (1%) of the share of the national government under Section 284 of the Local
24 Government Code of 1991, as amended, shall be earmarked, set-aside and used for
25 this purpose.

26 The Department of the Interior and Local Government (DILG) shall administer
27 and ensure the appropriate disbursement of the Fund.
28

1 SEC. 14. *Capacity Development and Enhancement Program for Barangay*
2 *Officials.* – The DILG, through the Local Government Academy (LGA), shall develop
3 capacity development and enhancement programs for the Punong Barangays,
4 Members of the Sangguniang Barangay, Barangay Secretaries, Barangay Treasurers,
5 Barangay Tanods, and Members of the Lupon Tagapamayapa.

6 The Department of Finance (DOF), through the Bureau of Local Government
7 Finance (BLGF), shall assist in the development of programs for Barangay Treasurers,
8 and the Department of Justice (DOJ) shall assist in the development of programs for
9 Barangay Tanods and Members of the Lupon Tagapamayapa.

10 The concerned agencies shall develop comprehensive training manuals, and
11 based thereon, conduct the trainings necessary and appropriate to ensure the
12 professionalization of the aforementioned barangay officials for the efficient delivery
13 of services at the barangay level.

14
15 SEC. 15. *Income Classification of Barangays.* – The DOF, through the BLGF,
16 shall formulate an income classification of barangays based on locally generated
17 average annual income for the last two (2) consecutive years based on 2000 constant
18 prices. The average annual income shall include the income accruing to the general
19 fund, exclusive of special funds, transfers, and non-recurring income.

20 Based on this income classification, the DILG and the Department of Budget
21 and Management (DBM) shall issue the necessary rules and regulations on the annual
22 appropriations for the newly created salary grades, honoraria and allowances of the
23 identified barangay officials under this Act.

24
25 SEC. 16. *Implementing Rules and Regulation.* – The DBM, in coordination with
26 the Government Service Insurance System (GSIS), the DILG, the DOJ, and the DOF
27 shall issue the necessary rules and regulations to implement this Act.

1 SEC. 17. *Funding Source.* – The amount necessary for the implementation of
2 this Act shall be charged against the respective funds of both the Barangay and the
3 City or Municipality which it is part of. Local government units which do not have
4 adequate or sufficient funds shall be assisted by the National Government.

5
6 SEC. 18. *Applicability Clause.* – The provisions of this Act shall be applicable to
7 the barangay elected and appointed officials identified under this Act, after the next
8 barangay elections following the approval of the enactment of this Act.

9
10 SEC. 19. *Separability Clause.* – If for any reason any section or provision of this
11 Act is declared to be unconstitutional or invalid, the other sections or provisions thereof
12 which are not affected thereby shall continue to be in full force and effect.

13
14 SEC. 20. *Repealing Clause.* – All laws, decrees, orders, rules or regulations, or
15 parts thereof inconsistent with the provisions of this Act are hereby repealed, amended
16 or modified accordingly.

17
18 SEC. 21. *Effectivity.* – This Act shall take effect fifteen (15) days after its
19 publication in a newspaper of general circulation in the Philippines.

Approved,