

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



Senate
Office of the Secretary

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SENATE
S. B. NO. 407

RECEIVED BY: *Jui*

Introduced by SENATOR FERDINAND R. MARCOS, JR.

EXPLANATORY NOTE

Republic Act 7160, otherwise known as the Local Government Code of 1991, was enacted 22 years ago. Since then, many of its provisions have not been keeping pace with many changes and challenges of local governance and autonomy, thereby necessitating an imperative review of the present mandate that needs to adjust to the current times.

When the Local Government Code of 1991 was amended through Republic Act 9009 which was enacted on February 24, 2001, the income requirement for a municipality or cluster of barangays to be converted into a component city was increased from Twenty Million Pesos (P20,000,000.00) to One Hundred Million (P100,000,000.00) Pesos for the last two consecutive years based on 2000 constant prices.

This adjustment however, failed to make the necessary and corresponding increase in the income requirement for highly urbanized cities, which at present, is still pegged at Fifty Million (P50,000,000.00) Pesos, as provided for under Section 452 of the Local Government Code of 1991. This results to an incongruous situation where the income requirement for a component city is even much higher than a highly urbanized city. Thus to remedy the situation, this measure is being introduced.

This bill proposes to correspondingly increase the locally generated average annual income requirement for the creation of a highly urbanized city to One Hundred Fifty Million (P150,000,000.00) Pesos.

Early approval of this bill is hereby earnestly requested.

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FERDINAND R. MARCOS, JR.

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SENATE
S. B. NO. 407

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Introduced by SENATOR FERDINAND R. MARCOS, JR.

**AN ACT AMENDING SECTION 452 OF REPUBLIC ACT 7160 OTHERWISE KNOWN AS
THE LOCAL GOVERNMENT CODE OF 1991, BY INCREASING THE LOCALLY
GENERATED AVERAGE ANNUAL INCOME REQUIREMENT FOR THE CREATION OF A
HIGHLY URBANIZED CITY**

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

Section 1. Section 452 of Republic Act No. 7160 is hereby amended to
read as follows:

Section 452. *Highly Urbanized Cities.*

(a) Cities with a minimum population of two hundred thousand (200,000) inhabitants as certified by the National Statistics Office, and with the latest **LOCALLY GENERATED AVERAGE** annual income of at least [Fifty] **ONE HUNDRED FIFTY** Million Pesos (P150,000,000.00) based on [1991] **2010** constant prices, as certified by the city treasurer, shall be classified as highly urbanized cities.

(b) Cities which do not meet above requirements shall be considered component cities of the province in which they are geographically located. If a component city is located within the boundaries of two (2) or more provinces, such city shall be considered a component of the province of which it used to be a municipality.

(c) Qualified voters of highly urbanized cities shall remain excluded from voting for elective provincial officials.

Unless otherwise provided in the Constitution or this Code, qualified voters of independent component cities shall be governed by their respective charters, as amended, on the participation of voters in provincial elections.

Qualified voters of cities who acquired the right to vote for elective provincial officials prior to the classification of said cities as highly-urbanized after the ratification of the Constitution and before the effectivity of this Code, shall continue to exercise such right.

Section 2. Repealing Clause. All laws, decrees, orders, rules and regulations, and other issuances or parts thereof, which are inconsistent with this Act, are hereby repealed or modified accordingly.

Section 3. This Act shall take effect thirty (30) days after its publication in two (2) national newspapers of general circulation.

Approved.