

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

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HOUSE OF REPRESENTATIVES	
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BILLS AND INDEX SERVICE	

HOUSE OF REPRESENTATIVES

House Bill No. 502

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Introduced by Representative Victor A. Yap

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#### EXPLANATORY NOTE

Section 384 of the Local Government Code of 1991 (1991 LGC) states that “the barangay serves 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.”

Barangay Officials and workers are the “front line” of government services, particularly in the basic services of health and social welfare. Further, they carry out these tasks for mere honoraria that are well below minimum wage relative to the effort and hours they must put into their duties. This bill provides for retirement benefits as recognition of the barangay officials’ contribution to the community and shall encourage them to honestly continue their public service. The additional benefits shall also raise the economic and social status of barangay officials to have decent, healthy, and comfortable living conditions.

Under this measure, retirement benefits are taken from the barangay retirement fund and given to the retirees as a lump sum, at least sixty (60) years of age, with a minimum of nine (9) years of service at the time of the retirement. Further, the bill also increases the monthly benefits of the barangay officials, including expansion of the coverage of the Christmas Bonus, and providing additional non-monetary benefits.

For the welfare and improvement of our barangays, the passage of this bill is earnestly sought.

  
**VICTOR A. YAP**  
Representative, 2<sup>nd</sup> District of Tarlac

HOUSE OF REPRESENTATIVES

House Bill No. 502

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Introduced by Representative Victor A. Yap

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AN ACT

INCREASING THE HONORARIUM AND CHRISTMAS BONUS OF BARANGAY OFFICIALS, INCLUDING BARANGAY TANODS, AND MEMBERS OF THE LUPON NG TAGAPAMAYAPA, AND GRANTING A LUMP SUM GRATUITY PAY EQUIVALENT TO ONE HUNDRED THOUSAND PESOS (P100,000.00), AND OTHER NON-MONETARY BENEFITS, AMENDING FOR THE PURPOSE SECTION 393 OF REPUBLIC ACT NO. 7160, AS AMENDED, OTHERWISE KNOWN AS THE LOCAL GOVERNMENT CODE OF 1991

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

1           **SECTION 1.** Section 393 of Republic Act No. 7160, as amended, otherwise known as the  
2 Local Government Code of 1991 is hereby amended to read as follows:

3           **“Section 393. *Benefits of Barangay Officials.*** -(a) Barangay officials, including barangay  
4 tanods and members of the lupong tagapamayapa, shall receive honoraria, allowances, and such  
5 other emoluments as may be authorized by law or barangay, municipal or city ordinance in  
6 accordance with the provisions of this Code, but in no case shall it be less than [One] FIVE  
7 thousand pesos (P[1] 5,000.00) per month for the punong barangay and [Six hundred] THREE  
8 THOUSAND pesos (P[6] 3,000.00) per month for the sangguniang barangay members, [and]  
9 barangay treasurer, and barangay secretary **AND TWO THOUSAND PESOS (P2,000.00) FOR**  
10 **BARANGAY TANODS AND MEMBERS OF THE LUPON NG TAGAPAMAYAPA:**  
11 Provided, however, That the annual appropriations for personal services shall be subject to the  
12 budgetary limitations prescribed under Title Five, Book II of this Code;

13           (b) The punong barangay, the sangguniang barangay members, the barangay treasurer, and  
14 the barangay secretary shall also:

15           (1) Be entitled to Christmas bonus of at least One thousand pesos (P1,000.00) each, the  
16 funds for which shall be taken from the general fund of the barangay or from such other funds  
17 appropriated by the national government for the purpose[;]: **PROVIDED, HOWEVER, THAT**  
18 **BARANGAY TANODS AND MEMBERS OF THE LUPONG TAGAPAMAYAPA SHALL**  
19 **ALSO ENJOY THIS BENEFIT.**

20           (2) Be entitled, during their incumbency, to insurance coverage which shall include, but shall  
21 not be limited to temporary and permanent disability, double indemnity, accident insurance, death  
22 and burial benefits, in accordance with Republic Act Numbered Sixty-nine hundred forty-two (R.A.

1 No. 6942), entitled "An Act Increasing the Insurance Benefits of Local Government Officials and  
2 Providing Funds Therefor";

3 (3) Be entitled to free medical care including subsistence, medicines, and medical attendance  
4 in any government hospital or institution: Provided, that such hospital care shall include surgery or  
5 surgical expenses, medicines, X-rays, laboratory fees, and other hospital expenses;

6 In case of extreme urgency where there is no available government hospital or institution,  
7 the barangay official attendance to the nearest private clinic, hospital or institution and the expenses  
8 not exceeding Five thousand pesos (P5,000.00) that may be incurred therein shall be chargeable  
9 against the funds of the barangay concerned;

10 **BARANGAY OFFICIALS SHALL ALSO BE ENTITLED TO TEN PERCENT**  
11 **(10%) DISCOUNT, AND EXEMPTION FROM VALUE-ADD TAX (VAT), IF**  
12 **APPLICABLE, ON THE SALE OF GOODS AND SERVICES FROM ALL**  
13 **ESTABLISHMENTS, PARTICULARLY ON THE PURCHASE OF MEDICINES, AND**  
14 **SUCH ESSENTIAL MEDICAL SUPPLIES, ACCESSORIES AND EQUIPMENT TO BE**  
15 **DETERMINED BY THE DEPARTMENT OF HEALTH (DOH), AND ON THE**  
16 **PROFESSIONAL FEES OF ATTENDING PHYSICIAN OR PHYSICIANS IN ALL**  
17 **PRIVATE HOSPITALS, MEDICAL FACILITIES, OUTPATIENT CLINICS AND**  
18 **HEALTH HOME CARE SERVICES;**

19 (4) Be exempted during their incumbency from paying tuition and matriculation fees for  
20 their legitimate dependent children attending state colleges or universities. He may likewise avail of  
21 such educational benefits in a state college or university located within the province or city to which  
22 the barangay belongs; [and]

23 (5) Be entitled to appropriate civil service eligibility on the basis of the number of years of  
24 service to the barangay, pursuant to the rules and regulations issued by the Civil Service  
25 Commission[.];

26 **(6) BE ENTITLED TO A LUMP SUM RETIREMENT GRATUITY PAY**  
27 **EQUIVALENT TO ONE (1) YEAR HONORARIUM, BUT IN NO CASE SHALL**  
28 **EXCEED ONE HUNDRED THOUSAND PESOS (P100,000.00) TO BE TAKEN FROM**  
29 **THE BARANGAY RETIREMENT GRATUITY FUND; PROVIDED, HOWEVER,**  
30 **THAT A RETIREE IS AT LEAST SIXTY (60) YEARS OF AGE WITH A MINIMUM OF**  
31 **NINE (9) YEARS IN SERVICE AT THE TIME OF THE RETIREMENT.**

32 **AS USED IN THIS SUBSECTION, THE TERM "RETIREE" SHALL INCLUDE**  
33 **ALL BARANGAY OFFICIALS, INCLUDING BARANGAY TANODS AND MEMBERS**  
34 **OF THE LUPON NG TAGAPAMAYAPA;**

35 **(7) BE ENTITLED TO A FRANKING PRIVILEGE FROM THIS PURPOSE,**  
36 **BARANGAY OFFICIALS SHALL BE EXEMPT FROM HE PAYMENT OF POSTAGE**  
37 **ON ANY MAIL MATTER TO BE SENT TO GOVERNMENT AGENCIES, PUBLIC**  
38 **OFFICIAL FUNCTIONS; AND**

1 (8) BE ENTITLED TO TWENTY PERCENT (20%) DISCOUNT IN  
2 TRANSPORTATION FARE, AND HOTEL ACCOMODATION CHARGE.

3 (c) xxx xxx xxx

4 (d) All duly appointed members of the barangay tanod brigades, or their equivalent, which shall  
5 number not more than twenty (20) in each barangay, shall be granted insurance or other benefits  
6 during their incumbency, chargeable to the barangay or the city or municipal government to which  
7 the barangay belongs.

8  
9 SECTION 2. *Barangay Retirement Gratuity Fund (BRGF) Created.* – There is hereby  
10 created a Barangay Retirement Gratuity Fund (BRGF) which shall be used to fund the retirement  
11 gratuity of barangay officials, including barangay tanods and members of the Lupon ng  
12 Tagapamayapa, as mentioned in this act. The amount equivalent to one percent (1%) of the share of  
13 the national government under Section 284 of the Local Government Code of 1991, as amended  
14 shall be used for this purpose.

15 The Department of Interior and Local Government (DILG) shall administer and ensure the  
16 appropriate disbursement of the Fund.

17  
18 SECTION. 3. *Rules and Regulation.* – The Department of Budget and Management  
19 (DBM), in coordination with the DILG and Department of Transportation (DOT), shall issue the  
20 necessary rules and regulation to implement this Act.

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22 SECTION. 4. *Repealing Clause.* - All laws, executive orders, issuances, rules and  
23 regulations inconsistent with this act are hereby amended, repealed or modified accordingly.

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25 SECTION 5. *Effectivity.* - This Act shall take effect fifteen (15) days after publication in  
26 two (2) national newspapers of general circulation.

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28 Approved,