

Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City, Metro Manila

SEVENTEENTH CONGRESS
1st Regular Session

House Bill No. **2564**



Introduced by **Hon. WILTER "SHARKY" WEE PALMA II**

EXPLANATORY NOTE

This bill seeks to provide a fixed monthly salary to barangay officials.

The Barangay is the smallest and closest form of government to the people, and to some extent, it is considered as the engine of national growth being a grassroots development unit. Republic Act No. 7160, otherwise known as "The Local Government Code of 1991" states that the barangay serves as the primary planning and implementing unit of government policies, plans, programs, projects and activities in the community. It serves as a forum wherein the collective views of the people may be expressed, crystallized and considered. It is also where disputes may be amicably settled through the Katarungang Pambarangay.

The Local Government Code provides that, barangay officials, including barangay tanods and member of the lupong tagapamayapa, shall receive honoraria, allowances, and such other emoluments as may be authorized by law or barangay, municipal or city ordinance. These barangay officials do not receive a fixed monthly salary that will provide just remuneration for the wide array of roles and responsibilities bestowed upon them under the Code.

The officials of the barangay are those whom constituents go to for basic problems - health, social services, simple disputes and peace and order. They relieve the city or municipality of many issues which can be addressed at the barangay level, thereby screening the problems before they can reach the municipal or city level. From their mandates to the devolved national government functions and to small dispute resolution, the barangay is at the forefront of the service delivery responsibilities of the government.

This bill seeks to properly compensate the elective barangay officials through a fixed salary system and consequently, amend certain provisions of Republic Act No. 7160. Also, Local Budget Circular no. 58 issued by the Department of Budget and Management, which was later repealed by Local Budget Circular no. 63, does not provide for the salary of

barangay officials consistent with the provision of RA 7160. Budget Circulars 58 and 63 clarified the confusion caused by the Executive Order 332 signed by former President Fidel Ramos which incorporated the barangay officials into the Salary Standardization system. Budget Circulars 58 and 63 stated that barangay officials should only receive honoraria, and not salaries, consistent with the Local Government Code. These circulars also provided the honorarium rates which should not exceed Salary Grade 14 for Punong Barangay and Salary Grade 10 for Sangguniang Barangay members in the city of municipality where the barangay is located.

Under the Local Government Code, the Barangay is classified as one of the local government units, similar to that of Provinces, Cities and Municipalities. The law also devolved several national government functions to the barangays such as agricultural support services, health and social welfare services, services and facilities related to general hygiene and sanitation, solid waste management, maintenance of Katarungang Pambarangay, information and reading centers, and infrastructure facilities such as multipurpose halls, sports centers, plazas, and other similar facilities. However, the elected officials of the provinces, cities, and municipalities are receiving fixed monthly compensations including other benefits and entitlements. While elected barangay officials remain to be the least paid within the local government service and are receiving salaries in a form of honoraria, and not through a fixed salary. Although the honorarium has been raised to an equivalent of Salary Grade 14 for Punong Barangay and Salary Grade 10 for Sangguniang Barangay members, it is still subject to the availability of funds of the barangay. Even at these rates, the barangay officials remain grossly underpaid compared to their municipal and city counterparts, whose functions are circumscribed within the executive, legislative and judicial branches of government.

It is also highly important to note that the barangay officials are also chosen in the same manner as their provincial, city and municipal counterparts – by a general election.

This bill also seeks to underscore the importance of having the Barangay officials included as compulsory members of the Government Service Insurance System (GSIS). As frontliners of government service in the communities, it is high time that we afford them with the insurance benefits already enjoyed by other government employees. It will qualify also the barangay officials of retirement benefits after their dedicated service to the government, and other kinds of loans such as housing, salary, education, and calamity which the GSIS already provides to other state workers.

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


ATTY. WILTER "SHARKY" WEE PALMA II
1st District, Zamboanga Sibugay

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Introduced by **Hon. WILTER "SHARKY" WEE PALMA II**

AN ACT
PROVIDING FIXED COMPENSATION TO ELECTIVE BARANGAY OFFICIALS
AMENDING FOR THIS PURPOSE REPUBLIC ACT 7160
AND APPROPRIATING FUNDS THEREFOR

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

SECTION 1. *Short Title.* This Act shall be known as the "***Barangay Officials Compensation Act.***"

SECTION 2. Paragraph (a) of Section 393, Chapter 4, Title One, Book III of Republic Act 7160, otherwise known as Local Government Code of 1991, is hereby amended as follows:

"Section 393. ***Benefits of Barangays Officials.***

(a) Barangay officials, including barangay tanods and members of the lupong tagapamayapa shall receive (honoraria) **A FIXED MONTHLY COMPENSATION**, 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 thousand pesos per month for the punong barangay and six hundred pesos per month for the sangguniang barangay

members, barangay treasurer, and barangay secretary: Provided, however, that the annual appropriations for personnel services shall be subject to the budgetary limitations prescribed under Title Five, Book II of this Code.

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SECTION 3. *Compensation of Punong Barangay.* The Punong Barangay shall receive a monthly compensation equivalent to the salary of Sanggunian Member of the city or municipality to which the barangay is located.

SECTION 4. *Compensation of Members of the Sangguniang Barangay.* The Members of the Sangguniang Barangay shall receive a monthly compensation equivalent to eighty percent (80%) of the salary of Sanggunian Member of the city or municipality to which the barangay is located.

SECTION 5. *Compulsory Coverage in the GSIS.* – All barangay officials shall be included in the compulsory membership of the Government Service and Insurance System under Section 3 of Republic Act. 8291.

SECTION 6. *Implementation.* The Department of Budget and Management, in coordination and consultation with the Department of Interior and Local Government, Liga ng Mga Barangays, and other agencies concerned, shall formulate, issue and adopt such rules and guidelines deemed necessary for the proper implementation of this Act.

SECTION 7. *Appropriations.* The Secretary of Department of Interior and Local Government (DILG) shall submit to Congress the necessary budgetary estimates to properly implement the provisions of this Act. Such estimates and other amount as may be needed for the continued implementation of this Act shall be included in the Annual Appropriations Act, of the city or municipality where the barangay is located, in the fiscal year following the passage of this Act.

SECTION 8. *Separability Clause.* If any provision of this Act is declared unconstitutional or invalid, the remainder or any provisions thereof not affected shall remain in force and effect.

SECTION 9. *Repealing Clause.* All laws, executive orders, decrees, instructions, rules and regulations contrary to or inconsistent with any provision of this Act are hereby repealed and modified accordingly.

SECTION 10. *Effectivity Clause.* This Act shall take effect fifteen (15) days after its publication in a national newspaper of general circulation.

Approved,