


'22 JUL 12 P12 :03

NINETEENTH CONGRESS OF THE ]  
REPUBLIC OF THE PHILIPPINES ]  
*First Regular Session* ]

RECEIVED BY: 

SENATE

S.B. No. 388

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Introduced by SEN. WIN GATCHALIAN

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**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 provides:

"SEC. 384. Role of the Barangay. - As the basic political unit, 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."

As such, the role of the Barangay in our society is crucial as it is 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, as well as exercise judicial functions in its katarungang pambarangay duties, and peace enforcement through the tanods. Clearly, a barangay's political jurisdiction maybe small compared to other local government units, but their role in the delivery of public services are expansive and the efficient and effective performance of their services will directly benefit their constituents.

Notwithstanding the critical role of barangay officials in the delivery of government services and the Herculean task the national government has imposed on them, Local Government Code provisions enumerating the benefits and privileges for these barangay officials leave much to be desired. Barangay officials continue to be ranked the lowest among all civil servants in terms of remuneration, benefits and other privileges received, and a proper compensation scheme for barangay officials that is commensurate with their role in the delivery of public services are yet to be provided. If we are to effectively give to the local government units the self-sufficiency that the government envisions, we must be able to provide the environment and support conditions conducive to a 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 set programs for these basic units of the local government. It creates a barangay retirement gratuity fund that will enable barangay governments to pay for monthly contributions to retirement coverage of respective barangay officials. It 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.

Thus, approval of this bill is earnestly sought.




**WIN GATCHALIAN**

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**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, otherwise known as the “Act  
5 Postponing the May 2020 Barangay and Sangguniang Kabataan Elections,” is hereby  
6 amended to read as follows:

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

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

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

1                   **ALLOWANCES, BENEFITS AND INCENTIVES**  
2                   **APPLICABLE TO ALL GOVERNMENT PERSONNEL.**

3  
4           SEC. 7. A new Sec. 391-A shall be inserted in RA 7160 to read as follows:

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

17  
18           SEC. 8. Sec. 393 of RA 7160 is hereby amended to read as follows:

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

21                   (a) ~~[Barangay officials, including]~~ [b]Barangay tanods and  
22                   members of the lupon tagapamayapa, shall receive  
23                   honoraria, allowances, and such other emoluments as may be  
24                   authorized by law or barangay, municipal or city ordinance in  
25                   accordance with the provisions of this Code, but in no case  
26                   shall it be less than ~~[One]~~ **TWO** thousand pesos [(P1,000.00)]  
27                   **(P2,000.00)** per month ~~[for the punong barangay and Six~~  
28                   ~~hundred pesos (P600.00) per month for the sangguniang~~  
29                   ~~barangay members, barangay treasurer, and barangay~~

1 secretary]: Provided, however, That the annual appropriations  
2 for personal services shall be subject to the budgetary  
3 limitations prescribed under Title Five, Book II of this Code;

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

7 **THE LUPON TAGAPAMAYAPA** shall also:

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

14 (2) xxx

15 (c) xxx

16 **(E) BE ENTITLED TO A LUMP SUM RETIREMENT**  
17 **GRATUITY PAY EQUIVALENT TO ONE (1) YEAR**  
18 **HONORARIUM TO BE TAKEN FROM THE BARANGAY**  
19 **RETIREMENT GRATUITY FUND, AS MENTIONED IN**  
20 **SECTION 9 OF THIS ACT: *PROVIDED, HOWEVER,***  
21 **THAT A RETIREE IS AT LEAST SIXTY (60) YEARS OF**  
22 **AGE WITH A MINIMUM OF NINE (9) YEARS IN**  
23 **SERVICE AT THE TIME OF THE RETIREMENT;**

24  
25 SEC. 9. Sec. 394-A of RA 7160 is hereby inserted to read as follows:

26 **Section 394-A. *COMPENSATION AND TERM OF***  
27 ***OFFICE OF BARANGAY SECRETARY.* - THE BARANGAY**  
28 **SECRETARY SHALL BE CONSIDERED AS A REGULAR**  
29 **GOVERNMENT EMPLOYEE AND ENTITLED TO THE**



1           **FIXED RATE OF AT LEAST SALARY GRADE EIGHT (SG-**  
2           **8) UNDER THE SALARY STANDARDIZATION LAW, AS**  
3           **AMENDED.**

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

14  
15          SEC. 10. Sec. 395 of RA 7160 is hereby amended to read as follows:

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

22            (b) xxx

23  
24          SEC. 11. Sec. 395-A of RA 7160 is hereby inserted to read as follows:

25            **Section 395-A. COMPENSATION AND TERM OF**  
26            **OFFICE OF BARANGAY TREASURER. - THE BARANGAY**  
27            **TREASURER SHALL BE CONSIDERED AS A REGULAR**  
28            **GOVERNMENT EMPLOYEE AND ENTITLED TO THE**

1                   **FIXED RATE OF AT LEAST SALARY GRADE 8 UNDER**  
2                   **THE SALARY STANDARDIZATION LAW.**

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

13  
14                   SEC. 12. Sec. 399 of RA 7160 is hereby amended to read as follows:

15                   Section 399. *Lupong Tagapamayapa.* -

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

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

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

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

10           The Department of Finance (DOF), through the Bureau of Local Government  
11 Finance (BLGF), shall assist in the development of programs for Barangay Treasurers,  
12 and the Department of Justice (DOJ) shall assist in the development of programs for  
13 for Barangay Tanods and Members of the Lupon Tagapamayapa.

14           The Programs shall develop comprehensive training manuals, and based  
15 thereon, conduct the trainings necessary and appropriate to ensure the  
16 professionalization of the aforementioned barangay officials, for the efficient delivery  
17 of services at the barangay level.

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

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

1           SEC. 16. *Implementing Rules and Regulation.* – The DBM, in coordination with  
2 the Government Service Insurance System (GSIS), the DILG, the DOJ, and the DOF  
3 shall issue the necessary rules and regulations to implement this Act.  
4

5           SEC. 17. *Funding Source.* – The amount necessary for the implementation of  
6 this Act shall be charged against the respective funds of both the Barangay and the  
7 City or Municipality which it is part of. Local government units which do not have  
8 adequate or sufficient funds shall be assisted by the National Government.  
9

10          SEC. 18. *Applicability Clause.* – The provisions of this Act shall be applicable to  
11 the barangay elected and appointed officials identified under this Act, after the next  
12 barangay elections following the approval of the enactment of this Act.  
13

14          SEC. 19. *Separability Clause.* – If for any reason any section or provision of this  
15 Act is declared to be unconstitutional or invalid, the other sections or provisions thereof  
16 which are not affected thereby shall continue to be in full force and effect.  
17

18          SEC. 20. *Repealing Clause.* – All laws, decrees, orders, rules or regulations or  
19 parts thereof inconsistent with the provisions of this Act are hereby repealed, amended  
20 or modified accordingly.  
21

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

*Approved,*