

ELEVENTH CONGRESS OF THE REPUBLIC)
OF THE PHILIPPINES)
Third Regular Session)

'00 AUG 21 P6:29

SENATE

RECEIVED BY: Am

COMMITTEE REPORT NO. 393

Submitted jointly by the Committees on Local Government and on Finance on
21 AUG 2000

Re : Senate Bill No. 2129, prepared by the Committees

Recommending its approval in substitution of Senate Bill No. 1678, taking into consideration Proposed Senate Resolution No. 368 and House Bill No. 7883.

Sponsors : Senator Pimentel Jr. and Biazon.

MR. PRESIDENT :

The Committees on Local Government and on Finance to which were referred Senate Bill No. 1678, introduced by Senator Osmeña (J.), entitled:

**"AN ACT
PROVIDING FOR AN EXPANDED AUTONOMOUS REGION IN MUSLIM
MINDANAO, AMENDING FOR THE PURPOSE REPUBLIC ACT
NUMBERED SIXTY SEVEN HUNDRED THIRTY-FOUR ENTITLED 'AN ACT
PROVIDING FOR AN ORGANIC ACT FOR THE AUTONOMOUS REGION
IN MUSLIM MINDANAO'"**

taking into consideration Proposed Senate Resolution No. 368, introduced by Senator Biazon, entitled:

**"RESOLUTION
DIRECTING THE APPROPRIATE SENATE COMMITTEE TO CONDUCT A
COMPREHENSIVE REVIEW OF REPUBLIC ACT NUMBERED SIXTY
SEVEN HUNDRED THIRTY-FOUR OR AN ACT PROVIDING FOR AN
ORGANIC ACT FOR THE AUTONOMOUS REGION IN MUSLIM
MINDANAO IN PREPARATION FOR SUBSEQUENT AMENDMENTS
THERE TO"**

and House Bill No. 7883, introduced by Representatives Abueg Jr., Ermita, Macarambon Jr., Salapuddin, Jaafar, Datumanong, Tammang, Dequiña, Mangotara, Adiong, Candazo, Amin, Duavit, Suarez, Unde and Vergara, entitled:

**"AN ACT
PROVIDING FOR AN ORGANIC ACT FOR THE AUTONOMOUS REGION
IN MUSLIM MINDANAO, AMENDING FOR THE PURPOSE REPUBLIC
ACT NUMBERED SIXTY SEVEN HUNDRED THIRTY-FOUR ENTITLED 'AN
ACT PROVIDING FOR AN ORGANIC ACT FOR THE AUTONOMOUS
REGION IN MUSLIM MINDANAO'"**

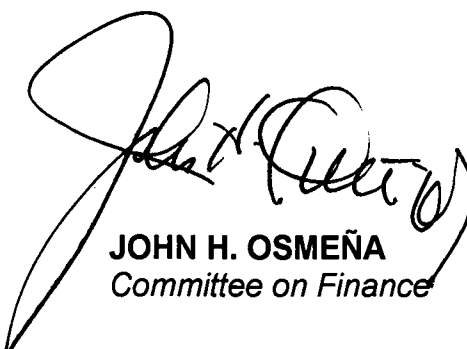
have considered the same and have the honor to report them back to the Senate with the recommendation that the attached bill, S. No. 2129, prepared by the Committees, entitled :

**"AN ACT
TO STRENGTHEN AND EXPAND THE ORGANIC ACT FOR THE MUSLIM
AUTONOMOUS REGION IN MINDANAO, AMENDING FOR THE PURPOSE
REPUBLIC ACT NO. 6734, ENTITLED 'AN ACT PROVIDING FOR THE
AUTONOMOUS REGION IN MUSLIM MINDANAO', AS AMENDED"**

be approved in substitution of Senate Bill No. 1678, taking into consideration Proposed Senate Resolution No. 368 and House Bill No. 7883 with Senators Osmeña (J.), Biazon and Pimentel Jr. as authors thereof.

Respectfully submitted :

Chairmen:




JOHN H. OSMEÑA
Committee on Finance



AQUILINO Q. PIMENTEL JR.
Committee on Local Government
Vice-Chairman, Committee on Finance

Vice - Chairmen :



VICENTE C. SOTTO III
Committee on Local Government
Committee on Finance



ROBERT Z. BARBERS
Committee on Local Government
Member, Committee on Finance

with amendments

SERGIO OSMEÑA III
Committee on Local Government
Committee on Finance

GREGORIO B. HONASAN
Committee on Finance
Member, Committee on Local Government

with amendments
RAMON B. MAGSAYSAY JR.
Committee on Finance

ANNA DOMINIQUE M.L. COSETENG
Committee on Finance

with amendments
TERESA AQUINO-ORETA
Committee on Finance
Member, Committee on Local Government

RODOLFO G. BIAZON
Committee on Finance
Member, Committee on Local Government

with amendments
ROBERT S. JAWORSKI
Committee on Finance
Member, Committee on Local Government

with amendments
JUAN PONCE ENRILE
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Raul S. Roco with amendments
RAUL S. ROCO
Committee on Finance

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RAMON B. REVILLA
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with amendments
JUAN M. FLAVIER
Committee on Local Government
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LOREN LEGARDA-LEVISTE

*Committee on Local Government
Committee on Finance*

RENATO L. COMPAÑERO CAYETANO

Committee on Finance

Ex - Officio Members :



BLAS F. OPLE

President Pro-Tempore



FRANCISCO S. TATAD

Majority Leader



TEOFISTO T. GUINGONA JR.

Minority Leader

Hon. FRANKLIN M. DRILON

President

Senate of the Philippines

Pasay City

ELEVENTH CONGRESS OF THE REPUBLIC)
OF THE PHILIPPINES)
Third Regular Session)

'00 AUG 21 P 6:29

SENATE
S.B. NO. 2129

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Introduced by Senators Pimentel, Jr. and Biazon

EXPLANATORY NOTE

The autonomous region in Muslim Mindanao was created in 1989 by Republic Act No. 6734, an act providing for an organic act for the autonomous region in Muslim Mindanao.

The act was intended to flesh out the mandate under Article X, Section 15 of the constitution.

In turn, the constitutional provision was meant to lay the basis for the foundation of a just and lasting peace in southern Mindanao that had been rocked by secessionist movements led by Muslim rebels since the Spanish colonial era up to the present.

For one reason or another, Republic Act No. 6734, had not quite proven effective to provide the redress of the grievances of the so-called *Bangsa Moro*, the Muslim people of southern Mindanao.

This bill, therefore, is another attempt by the government to satisfy the centuries-old grievances of the *Bangsa Moro*.

Among other things, the bill incorporates the salient features of the peace agreement entered into by the government and the Moro National Liberation Front in 1996. The application of *Shari-ah* among the Muslim *ummah* to settle disputes; recognition of the *madaris*; preference for the people of the region in matters of employment; protection of the ancestral domains of the Muslims and the *lumads*; preferential treatment of investments of regional inhabitants and their representation in judicial and other high circles of government are some of the matters that make the bill different from other bills that had been filed to address the problems in the parts of Mindanao dominated by Muslims.

In the light of the perennial problems posted by the armed uprisings against the government that is now typified by the rebellion of the Moro Islamic Liberation Front, and even by the Abu Sayyaf bandits, it is requested that this bill be approved posthaste.


RODOLFO G. BIAZON


AQUILINO Q. PIMENTEL, JR.

ELEVENTH CONGRESS OF THE REPUBLIC)
OF THE PHILIPPINES)
Third Regular Session)

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SENATE

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S. NO. 2129

(In substitution of S. No. 1678, taking into consideration

P.S. Res. No. 368 and H. No. 7883)

Prepared by the Committees on Local Government and Finance

**AN ACT TO STRENGTHEN AND EXPAND THE ORGANIC ACT FOR THE MUSLIM
AUTONOMOUS REGION IN MINDANAO, AMENDING FOR THE PURPOSE
REPUBLIC ACT NO. 6734, ENTITLED 'AN ACT PROVIDING FOR THE
AUTONOMOUS REGION IN MUSLIM MINDANAO, AS AMENDED**

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

PREAMBLE

The people of the Muslim autonomous region in Mindanao, imploring the aid of
Almighty God, in order to develop a just and humane society and establish a regional
autonomous government that is truly reflective of their ideals and aspirations within the
framework of the constitution and national sovereignty as well as the territorial integrity
of the republic and to secure to themselves and their posterity the blessings of
autonomy, self-rule, democracy, peace, justice and equality, do ordain and promulgate
this organic act, as amended, through the congress of the Philippines.

ARTICLE I

Name and Purpose

SECTION. 1. *Name of the Autonomous Region.* - The name of the
autonomous region shall be the Muslim autonomous region in Mindanao, unless
provided otherwise by the regional assembly.

The Muslim autonomous region in Mindanao shall be governed by the regional
autonomous government, hereafter called the regional government, as provided by this
Act, as amended.

ARTICLE II

The Autonomous Region

Area and Seat of Government

SEC. 1. Expanded Autonomous Region. - (1) The Muslim autonomous region in Mindanao which, under the provisions of Republic Act No. 6734, this organic act for the autonomous region in Muslim Mindanao, is composed of the four provinces of Lanao del Sur, Maguindanao, Sulu and Tawi-Tawi, is hereby expanded to include the provinces and cities, enumerated hereunder, which vote favorably to be included in the expanded area of the autonomous region and for other purposes, in a plebiscite called for that purpose in accordance with Section 18, Article X of the Constitution.

In addition, contiguous municipalities, in which Muslims constitute the majority of the population as determined by the last census immediately preceding the plebiscite, that vote favorably in the plebiscite for their inclusion in the autonomous region may be organized as a new province provided they meet the requirements of Republic Act No. 7160, the Local Government Code of 1991, or be merged with any of the four provinces mentioned in Section 1, Paragraph (1), above, that is nearest to them or had opted to become a member of the autonomous region in the plebiscite to which this Act had been subjected. The requirement of Section 10 of Republic Act No. 7160 that the area or areas directly affected by the alteration of boundaries of local government units must be approved by a majority of the votes cast in a plebiscite called for this purpose to approve the said alteration is hereby dispensed with to give effect to the decision of the said contiguous municipalities to become members of the Muslim autonomous region in Mindanao.

The merger of the said municipalities into a new province or their consolidation with the province nearest to them as mentioned above shall be effective within six (6) months after the holding of the plebiscite specified herein. Thereafter, the said municipalities shall be deemed members of the autonomous region.

The territory comprising the autonomous region as expanded is hereby recognized as the special zone of peace and development in southern Philippines as stipulated in the peace agreement entered into by the Government and the Moro National Liberation Front in Jakarta, Indonesia in 1996.

(2) **Plebiscite Coverage.** (a) The plebiscite shall be conducted in the provinces of Basilan, Cotabato, Davao del Sur, Lanao del Norte, Lanao del Sur, Maguindanao, Palawan, Sarangani, South Cotabato, Sultan Kudarat, Sulu, Tawi-Tawi, Zamboanga del Norte, and Zamboanga del Sur, and (b) in the cities of Cotabato, Dapitan, Dipolog, General Santos, Iligan, Kidapawan, Marawi, Pagadian, Puerto Princesa, and Zamboanga.

(a) PLEBISCITE QUESTION FOR VOTERS OF THE FOUR ORIGINAL PROVINCES OF THE AUTONOMOUS REGION. For the voters of the provinces of Maguindanao, Lanao del Sur, Sulu and Tawi-Tawi which are already members of the autonomous region under the provisions of Republic Act No. 6734, the question to be asked in the plebiscite of the voters therein shall be as follows: Do you vote in favor of the amendments to Republic Act No. 6734, this organic act for the autonomous region in Muslim Mindanao, as proposed under this law, Republic Act No. _____?

(b) PLEBISCITE QUESTION FOR THE VOTERS OF THE PROVINCES, CITIES AND MUNICIPALITIES PROPOSED FOR INCLUSION IN THE EXPANDED AUTONOMOUS REGION. For the voters of the provinces of Basilan, Cotabato, Davao del Sur, Lanao del Norte, Palawan, Sarangani, South Cotabato, Sultan Kudarat, Zamboanga del Norte, and Zamboanga del Sur, and the cities of Cotabato, Dapitan, Dipolog, General Santos, Iligan, Kidapawan, Marawi, Pagadian, Puerto Princesa and Zamboanga, which compose the provinces and cities that are proposed for inclusion in the expanded area of the autonomous region, the question to be asked in the plebiscite of the voters therein shall be as follows: Do you vote in favor of the inclusion of your province, city or municipality in the Muslim autonomous region in Mindanao?

SEC. 2. Results of the Plebiscite. - (a) In the four provinces. If the majority of the voters of the four provinces of Lanao del Sur, Maguindanao, Sulu and Tawi-Tawi vote in favor of the above-mentioned proposed amendments, the amendments are deemed ratified. Otherwise, the amendments are deemed rejected except as regards the inclusion of the provinces, cities and municipalities that vote for their inclusion in the

1 autonomous region as provided in this Act, as amended, in which case, the said
2 provinces, cities and municipalities shall become members of the autonomous region.

3 (b) In the provinces, cities or municipalities proposed for inclusion in the
4 expanded area of the autonomous region. A majority of the votes cast in the plebiscite
5 in every province, city or municipality in favor of the inclusion of the province, city or
6 municipality as members of the expanded area of the autonomous region as provided in
7 this Act, as amended, shall effect their membership in the autonomous region.

8 **SEC. 3. *Seat of Autonomous Government.*** - The regional legislative assembly,
9 hereinafter referred to as the regional assembly, shall by law, fix the permanent seat of
10 government of the regional government in any province or city that is a member of the
11 autonomous region, taking into consideration accessibility and efficiency in which its
12 mandate may be carried out under this Act.

13 Until the seat of the regional government is transferred as provided above, its
14 provisional seat shall be in Cotabato City. The regional assembly elected after the
15 plebiscite mentioned in this Act, shall, within its term, identify the site of the permanent
16 seat of the regional government. The central government shall appropriate funds for the
17 transfer of the provisional seat to its permanent site as determined by the regional
18 assembly.

19 **ARTICLE III**

20 **Guiding Principles and Policies**

21 **SEC. 1. *Integral Part of the Republic.*** - The Muslim autonomous region in
22 Mindanao shall remain an integral and inseparable part of the national territory of the
23 republic as defined by the constitution and existing laws.

24 The autonomous region shall be governed and administered in accordance with
25 the laws enacted by the regional assembly and by this organic act, as amended.

26 **SEC. 2. *Peaceful Settlement of Conflicts.*** - The policy to settle conflicts by
27 peaceful means, and to renounce the use of lawless violence as an instrument of
28 redress as mandated by the constitution binds the regional government.

29 **SEC. 3. *Devolution of Powers.*** - The regional government shall adopt a policy
30 on local autonomy whereby regional powers shall be devolved to local government units
31 where appropriate. Until a law implementing this provision is enacted by the regional

1 assembly, Republic Act No. 7160, the local government code of 1991, shall continue to
2 apply to all the provinces, cities, municipalities and barangay within the autonomous
3 region.

4 The regional assembly may not pass any law to diminish, lessen or reduce the
5 powers, functions and shares in the internal revenue taxes of the said local government
6 units as provided by Republic Act No. 7160.

7 **SEC. 4. *Charters Govern Cities.*** - Highly urbanized cities within the
8 autonomous region shall continue to be governed by their charters. Nothing in this Act
9 shall be construed as to diminish the powers and functions already enjoyed by these
10 cities.

11 **SEC. 5. *Customs, Traditions, Religious Freedom Guaranteed.*** - The beliefs,
12 customs and traditions of the people in the autonomous region and the free exercise of
13 their religions as Muslims, Christians, Jews, Buddhists or any other religious
14 denomination in the said region are hereby recognized, protected and guaranteed.

15 The regional assembly shall adopt measures to ensure mutual respect for and
16 protection of the distinct beliefs, customs, and traditions and the respective religions of
17 the inhabitants, thereof, be they Muslims, Christians, Jews, Buddhists or any other
18 religious denomination. The representation of the regional government in the various
19 central government bodies as provided for by Article V, Section 5 shall be effected upon
20 approval of the measures herein provided.

21 No person in the autonomous region shall be subjected to any form of
22 discrimination on account of creed, religion, ethnic origin, parentage or sex.

23 The regional government shall ensure the development, protection and well-
24 being of all indigenous tribal communities. Priority legislation in this regard shall be
25 enacted for the benefit of those tribes that are in danger of extinction as determined by
26 the southern Philippines cultural commission.

27 **SEC. 6. *Filipino & Islamic Values In Educational Policies.*** - The regional
28 government shall adopt educational policies that shall perpetuate Filipino and Islamic
29 values and ideals and the just aspirations of the Bangsa Moro with due respect to the
30 beliefs, customs, traditions and religions of the other non-Muslim inhabitants of the
31 region be they Christians, Jews, Buddhists, or of any other religious denomination.

1 All believers in Islam who are citizens of the republic are included in the term
2 Bangsamoro.

3 **SEC. 7. *Improving Status of the Marginalized.*** - The regional government shall
4 devote its resources to the improvement of the well-being of all its constituents,
5 particularly the marginalized, deprived, disadvantaged, underprivileged, disabled and
6 the elderly.

7 **SEC. 8. *Regional Government Authority Over Natural Resources.*** - Subject to
8 the provisions of the constitution and this organic act, as amended, the regional
9 government shall have the authority, power, and right to explore, develop and utilize the
10 natural resources, including surface and sub-surface rights, in-land and coastal waters,
11 and renewable and non-renewable resources in the autonomous region. Muslims and
12 the other indigenous cultural communities shall, however, have priority rights to explore,
13 develop and utilize the said resources in the areas designated as parts of their
14 respective ancestral domains.

15 **SEC. 9. *Preferential Rights of Inhabitants and Their Safeguards.*** - The
16 autonomous region shall provide manpower training programs, create livelihood and job
17 opportunities, allocate equitable preferential rights to its inhabitants, and adopt laws that
18 will safeguard the rights of workers.

19 **SEC. 10. *Protection Of Women and Children.*** - The regional government shall
20 uphold and protect the fundamental rights of women and children. Women and children,
21 especially orphans of tender age, shall be protected from exploitation, abuse or
22 discrimination.

23 **SEC. 11. *Enhancement of Quality of Life.*** - The regional government shall
24 provide, maintain, and ensure the delivery of, among other things, basic and responsive
25 health programs, quality education, appropriate services, livelihood opportunities,
26 affordable and progressive housing projects, and water resource development.

27 It shall maintain appropriate disaster-preparedness units for immediate and
28 effective relief services to victims of natural and man-made calamities. It shall also
29 ensure the rehabilitation of calamity areas and victims of calamities.

1 **SEC. 12. *Progressive Tax System.*** - The regional assembly shall adopt an
2 efficient and progressive system of taxation which, among other things, shall provide
3 incentives for the prompt payment of taxes and penalize tax evasion and delinquency.

4 **SEC. 13. *Equitable Share In National Budget and Development Assistance.*** -
5 The central government shall provide the autonomous region a proportionate and
6 equitable share in the annual national budget and foreign assisted projects in addition to
7 other financial assistance, support, and subsidies to accelerate its development.

8 **SEC. 14. *Rights to Initiatives, Consultations, Referenda and Plebiscites.*** -
9 Without prejudice to other rights guaranteed by the constitution, the rights of the people
10 of the autonomous region to initiate measures for the passage, amendment or repeal of
11 regional or local legislation; to be consulted on matters that affect their environment; to
12 call for a referendum on important issues affecting their lives, and to recall regional or
13 local officials as provided by Republic Act No. 7160 are hereby recognized.

14 The regional assembly shall enact priority legislation to define such rights. Until
15 such priority legislation is enacted, existing laws shall govern the exercise of the rights
16 mentioned above.

17 **SEC. 15. *Fundamental Rights and Duties of People.*** - The fundamental rights
18 and duties of the people in the autonomous region are those defined in the constitution
19 and this organic act, as amended, the Geneva Convention, the United Nations Charter,
20 the United Nations declaration on the rights of indigenous communities, the
21 international declaration on human rights, as well as those prescribed in all the laws,
22 practices, and principles binding upon members of the community of nations.

23 **SEC. 16. *Human Rights Commission.*** - There is hereby created a regional
24 human rights commission. The chair and two commissioners of the commission shall be
25 appointed by the President upon recommendation of the regional governor. The
26 composition of the commission shall reflect the ethnic distribution of the population of
27 the autonomous region. The chair shall be a lawyer and shall be a resident of the
28 autonomous region. The two commissioners shall, preferably, be lawyers or, at least,
29 holders of bachelor degrees from colleges or universities recognized by the department
30 of education, culture and sports of the central government.

1 The regional human rights commission shall perform within the autonomous
2 region, the functions of the commission on human rights of the central government.
3 Decisions of the commission may be appealed to the court of appeals on questions of
4 law.

5 Initially, the regional assembly shall fix the salaries, perquisites and privileges of
6 the chair and the commissioners of the commission at a level not lower than those fixed
7 for the chair and members of the national labor commission. The commission may
8 provide additional functions to enhance and protect the human rights of all the people in
9 the autonomous region. Thereafter, subject to availability of funds, the regional
10 assembly may raise the salaries, perquisites and privileges of the chair and
11 commissioners.

12 **SEC. 17. *Environmental Protection and Sustainable Development.*** - The
13 protection, rehabilitation, and the sustainable development of forests, coastal, and
14 marine resources, including the adoption of programs and projects to ensure the
15 maintenance of ecological balance, shall be given priority.

16 **ARTICLE IV**

17 **Devolution of Powers**

18 **SEC. 1.** The fundamental rights and duties of the people in the autonomous
19 region are those established in the constitution and this organic act, as amended.

20 **ARTICLE V**

21 **Powers of Government**

22 **SEC. 1. *Powers and Functions.*** - Subject to the provisions of the constitution,
23 the regional government shall exercise those powers and functions expressly granted to
24 it in this Act, or necessary for or incidental to the proper governance and development
25 of all the constituent units within the autonomous region consistent with the policy on
26 regional and local autonomy and decentralization.

27 The regional government may enact its own regional administrative code and
28 regional local government code consistent with the constitution. The powers and
29 functions already vested upon and the shares of the national taxes provided by
30 Republic Act No. 7160, the local government code of 1991, to provinces, cities,
31 municipalities and barangay in the autonomous region shall not be reduced.

1 **SEC. 2. *Corporate Entity.*** - The autonomous region is a corporate entity with
2 jurisdiction over all matters devolved to it by the constitution and this organic act, as
3 amended.

4 **SEC. 3. *Scope of Regional Assembly Legislative Power; Exceptions.*** - The
5 regional assembly may exercise legislative power in the autonomous region for the
6 benefit of the people and for the development of the region except on the following
7 matters:

8 (a) Foreign affairs;
9 (b) National defense and security;
10 (c) Postal service
11 (d) Coinage and fiscal and monetary policies;
12 (e) Administration of justice. It may, however, legislate on matters covered by
13 the Shari'ah. The Shari'ah shall apply only to Muslims. Its application shall be limited by
14 pertinent constitutional provisions, particularly by the prohibition against cruel and
15 unusual punishment and by pertinent national legislation that promotes human rights
16 and the universally accepted legal principles and precepts.

17 (f) Quarantine;
18 (g) Customs and tariff;
19 (h) Citizenship;
20 (i) Naturalization, immigration and deportation;
21 (j) General auditing;
22 (k) National elections;
23 (l) Maritime, land and air transportation and communications. The
24 autonomous government shall, however, have the power to grant franchises, licenses
25 and permits to land, sea and air transportation plying routes in the provinces, cities or
26 municipalities within the region, and communications facilities whose frequencies are
27 confined to and whose main offices are located within the autonomous region.

28 (m) Patents, trademarks, trade names, and copyrights.

29 **SEC. 4. *General Welfare Powers.*** - Notwithstanding the limitations on the
30 powers of the regional assembly as stated above, it may enact laws that promote the
31 general welfare of the people of the autonomous region.

SEC. 6. *Eminent Domain.* - The regional government may exercise the power of eminent domain.

Inter-Governmental Relations

The power of supervision of the President over the provincial governors and the mayors of the highly urbanized cities shall be exercised through the regional governor; over the mayors of the component cities and municipalities, through the provincial governor; and over the punong barangay, through the city or municipal mayor.

The President may suspend the regional governor for a period not exceeding six (6) months for willful violation of the constitution, this Act or any existing law that applies to the autonomous region.

SEC. 2. *Cabinet Membership.* - The central government shall appoint at least one (1) qualified inhabitant of the autonomous region as a member of the cabinet as

recommended by the regional governor in consultation with the regional assembly and concerned sectors of the autonomous region.

SEC. 3. *Shari'ah and Tribal Courts; Coordination With Central Government.* -

The regional government shall maintain close coordination with the central government for an effective administration of justice in the autonomous region.

SEC. 4. *Representation of Autonomous Region in General in the Central Government.* - Representation of the inhabitants of the autonomous region in the central government may be done by appointment or election.

Appointment of inhabitants of the autonomous region to positions in the central government shall be subject to central government standards and guidelines. Such appointment shall be made only upon recommendation by the regional governor after consultation with the regional assembly and the concerned sectors of the autonomous region.

Election of legislators to represent the autonomous region in the congress of the republic shall be done pursuant to the rules of the commission on elections.

SEC. 5. *Representatives In Executive Departments and Constitutional Bodies.* -

At least, one (1) qualified inhabitant of the autonomous region recommended by the regional governor in consultation with the regional assembly and concerned sectors of the autonomous region shall be appointed, as far as practicable, in each of the departments, offices or bureaus and constitutional bodies of the central government that deal with the autonomous region, in primarily confidential, highly technical or policy-determining positions.

SEC. 6. *Ex Officio Member of the National Security Council.* - The regional governor shall be an ex officio member of the National Security Council on matters concerning the autonomous region and such other matters as may be determined by the President.

SEC. 7. *Representatives In Government-Owned Or -Controlled Corporations.* -

The regional government shall be represented in the board of directors or in the policy-making bodies of government-owned-and-controlled corporations that operate businesses directly or through their subsidiaries in the autonomous region.

ARTICLE VII

The Legislative Department

SEC. 1. *Regional Assembly.* - The legislative power of the autonomous government shall be vested in the regional assembly except to the extent that it is reserved to the people by provisions on initiative and referendum as provided by law.

SEC. 2. *Election of Regional Assembly.* - The regional assembly shall be composed of Members elected by popular vote, with three (3) members elected from each of the legislative districts.

SEC. 3. *Sectoral Representatives.* - There shall be sectoral representatives in the regional assembly whose number shall not exceed fifteen percent (15%) of the total number of elected members of the regional assembly coming from the agricultural, labor, urban poor, disabled, indigenous cultural communities, youth and women sectors. The regional assembly may enact legislation to provide for the representation of other sectors. The youth representative shall not be less than eighteen (18) years of age nor more than twenty-one (21) years of age at the time of his or her assumption to office.

The sectoral representatives shall be entitled to the same salary and allowances and rights and privileges enjoyed by the regularly elected members of the regional assembly. They shall be elected on the same date as that fixed for the election of the members of the regional assembly.

SEC. 4. *Term of Office.* - The members of the regional assembly, including the sectoral representatives, shall have a term of three (3) years which shall begin, unless otherwise provided by law, at noon on the 31st day of March next following their election.

No member of the regional assembly shall serve more than three (3) consecutive terms. Voluntary renunciation of or removal from office for any length of time shall not be considered as an interruption in the continuity of his service for the full term for which he was elected.

SEC. 5. *Filling of Vacancy.* - In case of vacancy in the regional assembly occurring at least one (1) year before the expiration of the term of office, a special election shall be called to fill the vacancy in the manner prescribed by regional law. The member elected shall serve only for the unexpired term.

1 **SEC. 6. Qualifications of Members of Regional Assembly.** - No person shall be
2 a member of the regional assembly unless he or she is:

- 3 (1) A natural-born citizen of the Philippines;
- 4 (2) At least twenty-one (21) years of age on the day of the election;
- 5 (3) At least a holder of a Bachelor's degree in college duly accredited by the
6 department of education, culture and sports of the central government;
- 7 (4) A registered voter of the district in which he or she shall be elected on the
8 day he or she files his or her certificate of candidacy; and
- 9 (5) A resident thereof for a period of not less than one (1) year immediately
10 preceding the day of the election.

11 **SEC. 7. Oath of Office.** - Every member of the regional assembly shall take an
12 oath or affirmation of allegiance to the republic, renounce the use of violence and
13 commit himself or herself to democratic means in the pursuit of the ideals and
14 aspirations of the people of the autonomous region before taking his or her seat.

15 **SEC. 8. Salaries.** - Unless otherwise provided by regional assembly, a member
16 of the regional assembly shall receive an annual salary of One Hundred Eighty
17 Thousand Pesos (P180,000.00) except the speaker of the regional assembly who shall
18 receive an annual salary of Two Hundred Thousand Pesos (P200,000.00).

19 The annual compensation of the speaker and members of the regional assembly
20 may be increased by the regional assembly in accordance with existing laws on position
21 classification and compensation of the central government. The increase shall,
22 however, not take effect until after the expiration of the terms of office of the members
23 of the assembly who had approved the increase. The increase shall be funded solely
24 from revenue raised by the regional government. No funds or parts thereof provided by
25 the central government for the regional government shall be used for salaries,
26 honoraria, per diems or to increase the salaries, honoraria or per diems of the officials
27 or employees of the regional government.

28 They shall not receive during their tenure other emoluments from the regional
29 government or from the central government.

30 **SEC. 9. Forfeiture of Seat.** - Any member of the regional assembly who
31 accepts an appointment and qualifies for any position in the Government, including

1 government-owned-or-controlled corporations or institutions and their subsidiaries, shall
2 automatically forfeit his or her seat in the regional assembly.

3 **SEC. 10. *Disclosure of Financial or Business Interests.*** - All members of the
4 regional assembly shall, upon their assumption of office, make a full disclosure of their
5 financial and business interests, including those of their spouses and unmarried
6 children under eighteen (18) years of age living in their households. They shall notify
7 the assembly of any potential conflict of interest that may arise from the filing of
8 measures of which they are authors upon the filing thereof.

9 Any member found guilty of non-disclosure as required under this section may be
10 expelled by a two-thirds (2/3) vote of all the members of the regional assembly, without
11 prejudice to his or her other liabilities under pertinent legislation.

12 **SEC. 11. *Prohibited Acts for Members of the Regional Assembly.*** - No member
13 of the regional assembly may personally appear as counsel before courts of justice or
14 quasi-judicial and other administrative bodies. Neither shall the member directly or
15 indirectly, be interested financially in any contract with, or in any franchise or special
16 privilege granted by the central government or by the regional government, or any
17 subdivision, agency or instrumentality thereof, including any government-owned-or-
18 controlled corporation or its subsidiary, during his or her term of office. The member
19 shall not intervene in any manner before any office of the government for his or her
20 pecuniary benefit or where he or she may be called upon to act on account of his or her
21 office.

22 **SEC. 12. *Parliamentary Immunity.*** - Any member of the regional assembly who
23 commits offenses within the jurisdiction of the autonomous region punishable by not
24 more than six (6) years imprisonment, shall be privileged from arrest while the regional
25 assembly is in session.

26 No member of the regional assembly shall be questioned or be held liable in any
27 other place for any speech or debate in the assembly or in any of its committees.

28 **SEC. 13. *Rules of Procedure; Discipline of Members and Civil Service Rules.*** -
29 The regional assembly shall adopt its own rules of procedure by a majority vote of all its
30 members including the selection of members of its standing committees and for the
31 suspension or expulsion of its members.

1 The regional assembly shall elect from among its members a speaker and such
2 other officers as the rules may provide. The speaker shall appoint the personnel of the
3 regional assembly. All qualified applicants shall have equal opportunity for employment
4 with the regional government. Inhabitants of the autonomous region shall, however,
5 have preference for appointment to any position in the regional government without
6 regard to ethnic origin, culture, sex, creed and religion.

7 For a period not exceeding six (6) years from the date of the approval of the this
8 Act, appointments to the various positions in the regional government shall be subject to
9 the Civil Service law, rules and regulations of the central government. Thereafter, the
10 Civil Service law, rules and regulations adopted by the regional government shall apply
11 to all such appointments. If no Civil Service law, rules or regulations are adopted by the
12 regional government, appointments to positions in the regional government shall
13 continue to be governed by the Civil Service law, rules and regulations of the central
14 government.

15 A majority of all the members of the regional assembly shall constitute a quorum
16 to do business, but a smaller number may adjourn from day to day and may compel the
17 attendance of absent members in such a manner and under such penalties as the
18 assembly may provide.

19 The regional assembly or any of its committees may conduct inquiries or public
20 consultations in aid of legislation in accordance with its rules. In connection therewith, it
21 shall have the power to issue subpoenae or subpoenae duces tecum to compel the
22 attendance of and the production of papers, documents or things by witnesses or
23 persons under investigation by the assembly, itself, or by any of its committees. It shall
24 also have the right to cite witnesses or persons under investigation for contempt for
25 refusal to testify before it or before any of its committees or to produce papers,
26 documents or things required by the assembly or any of its committees. The rights of
27 persons appearing in or affected by such inquiries shall be respected.

28 The regional assembly shall keep a journal of its proceedings and a record of its
29 caucuses and meetings. The record and books of accounts of the assembly shall be
30 preserved and open to public scrutiny.

1 The commission on audit of the regional government shall publish an annual
2 report of the itemized list of expenditures incurred by the members of the assembly
3 within sixty (60) days from the end of every regular session.

4 **SEC. 14. *Questioning Cabinet Members and Other Officials.*** - The regional
5 assembly may, in aid of legislation and with the express consent of the regional
6 governor, require the presence of the regional cabinet members or their deputies as its
7 rules shall provide, for questioning on matters falling within the scope of their powers
8 and functions.

9 The regional assembly may require any regional commission, office or agency of
10 the central government with offices in the autonomous region to explain matters relating
11 to the exercise of its powers and functions.

12 **SEC. 15. *Regular and Special Sessions.*** - Except as provided by its rules, the
13 regional assembly shall meet in open session. Regular sessions shall commence on the
14 4th Monday of April and shall continue to be in session for such number of days as may
15 be determined by the assembly until thirty (30) days before the opening of its next
16 regular session exclusive of Saturdays, Sundays, and legal holidays.

17 The regional assembly may meet in special sessions at the request of one-third
18 (1/3) of all its members or by call of the regional governor. The special session shall
19 have a specific agenda.

20 **SEC. 16. *Passage of Bills.*** - No bill shall become a law of regional application
21 unless it has passed three (3) readings on separate days and printed copies thereof in
22 its final form have been distributed to its members three (3) days before its passage,
23 except when the regional governor certifies to the necessity of its immediate enactment
24 to meet a public calamity or emergency.

25 **SEC. 17. *Approval of Bills and Overriding of Veto.*** - Every bill passed by the
26 regional assembly, shall, before it becomes a law, be presented to the regional
27 governor. If the Governor approves the bill, he or she shall sign it; otherwise, he or she
28 shall veto it on the ground that it is ultra-vires or it is against public policy and return it
29 with his or her objections to the regional assembly. The regional assembly shall,
30 thereafter, enter the objections at large in its journal and may proceed to reconsider it.
31 If, after such reconsideration, two-thirds (2/3) of all the members of the regional

1 assembly shall agree to pass the bill, it shall become a law. In such cases, the vote
2 shall be determined by yeas and nays, and the names of the members voting for or
3 against shall be entered in the journal. The regional governor shall communicate his
4 veto of any bill to the regional assembly within thirty (30) days after the date of its
5 receipt; otherwise, it shall become a law as if he had signed it.

6 **SEC. 18. Submittal of Bills to the President and Congress.** - The speaker of the
7 regional assembly shall within ten (10) working days from their approval thereof, submit
8 to the President and to both houses of congress a certified true copy of all laws and
9 resolutions approved by the regional assembly.

10 **SEC. 19. Creation, Division or Abolition of Provinces, Cities, Municipalities or**
11 **Barangay.** - The regional assembly may create, divide, merge, abolish or substantially
12 alter boundaries of provinces, cities, municipalities or barangay in accordance with the
13 criteria laid down by Republic Act No. 7160, the Local Government Code of 1991,
14 subject to the approval by a majority of the votes cast in a plebiscite in the political units
15 directly affected. The regional assembly may prescribe standards lower than those
16 mandated by the local government code in the creation, division, merger, abolition or
17 alteration of the boundaries of provinces, cities, municipalities, or barangay. Provinces,
18 cities, municipalities or barangay created, divided, merged, or whose boundaries are
19 altered without observing the standards prescribed by the local government code of
20 1991, shall not be entitled to any share of the taxes that are allotted to the local
21 governments units under the provisions of the Code.

22 The financial requirements of the provinces, cities, municipalities or barangay so
23 created, divided or merged shall be provided by the regional assembly out of the
24 general funds of the regional government.

25 The holding of a plebiscite to determine the will of the majority of the voters of the
26 areas affected by the creation, division, merger or whose boundaries are being altered
27 as required by the local government code shall, however, be observed.

28 The regional assembly may also change the names of local government units,
29 public places and institutions.

30 **SEC. 20. Annual Budget and Infrastructure Funds.** - The annual budget of the
31 regional government shall be enacted by regional assembly. Funds for infrastructure in

1 the autonomous region allocated by the central government shall be appropriated
2 through a regional assembly Public Works Act.

3 Unless approved by the regional assembly, no public works funds allocated by
4 the central government for the regional government or allocated by the regional
5 government from its own revenues may be disbursed, distributed, realigned or used in
6 any manner.

7 **ARTICLE VIII**

8 **The Executive Department**

9 **SEC. 1. *Executive Power.*** - The executive power shall be vested in a regional
10 governor. He shall be elected by the qualified voters of the autonomous region.

11 **SEC. 2. *Regional Governor and Cabinet Members.*** - The regional governor
12 shall be the chief executive of the regional government. He shall be assisted by a
13 cabinet not exceeding ten (10) members, at least six (6) of whom shall come from
14 indigenous cultural communities. The representatives of the indigenous cultural
15 communities in the cabinet shall come from various provinces and cities within the
16 autonomous region.

17 The members of the cabinet must be registered voters and residents of the
18 region for at least five (5) years immediately preceding their appointments.

19 The regional governor shall appoint the members of the cabinet subject to
20 confirmation by the regional assembly.

21 **SEC. 3. *Qualifications of Regional Governor and Vice Governor.*** - No person
22 may be elected regional governor or vice governor of the autonomous region unless he
23 or she is a natural-born citizen of the Philippines, a registered voter of the autonomous
24 region, at least, a holder of a bachelor's degree from any college recognized by the
25 department of education, culture and sports, at least, thirty-five (35) years of age on the
26 day of the election, and a resident of the autonomous region for, at least, one (1) year
27 immediately preceding the election.

28 **SEC. 4. *Election of Regional Governor and Vice Governor.*** - The regional
29 governor and the regional vice governor shall be elected as a team by the qualified
30 voters of the autonomous region. A vote for a candidate for regional governor shall be
31 counted as a vote for his team mate for regional vice governor. A vote for a regional

1 vice governor shall be counted as a vote for his team mate for regional governor. For
2 purposes of their election, the candidates for regional governor and regional vice
3 governor shall belong to the same political party or coalition of parties. The commission
4 on elections shall promulgate the necessary rule or rules to give effect to this provision
5 of law.

6 **SEC. 5. *Regional Vice Governor Appointment To Or Removal From The***
7 ***Cabinet.*** - The regional vice governor may be appointed by the regional governor as a
8 member of the regional cabinet without need of confirmation by the regional assembly.
9 He may be removed from office in the same manner as the regional governor.

10 **SEC. 6. *Executive Council; Deputy Regional Governors.*** - The regional
11 governor shall appoint three (3) deputies each representing the Christians, indigenous
12 cultural communities and the Muslims in the region. The regional governor, the regional
13 vice governor and the three (3) deputies shall comprise the executive council of the
14 autonomous government. The executive council shall advise the regional governor on
15 matters of governance of the autonomous region. The three deputies shall be ex officio
16 members of the regional cabinet with or without portfolio. The regional governor may
17 assign powers and functions to the executive council to promote the general welfare of
18 the people of the autonomous region subject to the laws enacted by the regional
19 assembly.

20 Unless sooner removed by the regional governor, the term of office of a deputy
21 regional governor shall be co-terminus with the term of office of the regional governor
22 who appointed him or her.

23 **SEC. 7. *TERMS OF OFFICE OF ELECTIVE REGIONAL OFFICIALS.*** (1) *Terms*
24 *of office.* The terms of office of the regional governor, regional vice governor and
25 members of the regional assembly shall be for a period of three (3) years, which shall
26 begin at noon on the 31st day of March next following the day of the election and shall
27 end at noon of the same date three (3) years thereafter.

28 (2) *Term limits.* No regional governor, regional vice governor, or member of the
29 regional assembly shall serve for more than three (3) consecutive terms. Voluntary
30 renunciation of or removal from office for any length of time shall not be considered an

1 interruption in the continuity of the service for the full term for which he or she was
2 elected.

3 The term limits in the local government code shall apply to the governors of
4 provinces, mayors of cities and municipalities and punong barangay in the autonomous
5 region.

6 **SEC. 8. Oaths or Affirmations of Office of the Regional Governor and Vice**
7 **Governor.** - Before they enter on the execution of their office, the regional governor
8 and the regional vice governor shall take the following oath or affirmation: "I do solemnly
9 swear (or affirm) that I will faithfully and conscientiously fulfil my duties as the regional
10 governor (or the regional vice governor) of the Muslim regional government, preserve
11 and defend the constitution of the republic, this organic act, as amended, the national
12 and regional laws, do justice to every man, consecrate myself to the service of the
13 autonomous region and the nation, renounce the use of violence and commit myself to
14 democratic means in the pursuit of the ideals and aspirations of the people of the
15 autonomous region. So help me God." (In case of affirmation, last sentence will be
16 omitted.)

17 **SEC. 9. Compensation of Regional Governor and Vice Governor.** - Unless
18 otherwise provided by the regional assembly, the annual compensation of the regional
19 governor and regional vice governor shall be Two Hundred Fifty Thousand
20 (P250,000.00) pesos and Two Hundred Thirty Thousand (P230,000.00) pesos,
21 respectively. The compensations may be increased or decreased by the regional
22 assembly subject to the existing laws on position classification and compensation. The
23 increase or decrease of their salaries shall, however, not take effect until after their term
24 of office during which the increase or decrease was enacted by the regional assembly
25 shall have ended. They shall not receive during their tenure any other emoluments from
26 the central government or regional government or from any central or regional
27 government-owned-or-controlled corporations or firms.

28 No funds or parts thereof provided by the central government for the regional
29 government shall be used for salaries, honoraria, per diems or to increase the salaries,
30 honoraria or per diems of the regional governor, regional vice governor, members of the
31 regional assembly or employees of the regional government.

1 **SEC. 10. *Regional Governor Housing and Travel Allowances.*** - The regional
2 governor shall be provided with a reasonable housing allowance by the regional
3 assembly. When the regional governor travels outside the autonomous region, he shall
4 be provided with reasonable travel and accommodation allowances at rates not less
5 than what is granted to the members of the cabinet of the central government.

6 **SEC. 11. *Succession to Regional Governorship in Cases of Permanent***
7 *Vacancy.* - In case of death, permanent disability, removal from office, or resignation of
8 the regional governor, the regional vice governor shall become the regional governor
9 who shall serve for the unexpired term of the former. In case of death, permanent
10 disability, removal from office, or the resignation of both the regional governor and the
11 regional vice governor, the speaker of the regional assembly shall act as regional
12 governor until the regional governor and regional vice governor are elected and
13 qualified in a special election called for the purpose.

14 Upon his assumption as acting regional governor, the speaker of the regional
15 assembly shall temporarily vacate his position as such and an interim speaker shall be
16 elected. Upon the election and assumption of office of a new regional governor, the
17 speaker shall reassume his office.

18 No special election shall be called to fill a vacancy occurring within one (1) year
19 immediately preceding the next regular election.

20 **SEC. 12. *Succession to Regional Governorship in Cases of Temporary***
21 *Incapacity.* - In case of temporary incapacity of the regional governor to perform his
22 duties on account of physical or legal causes, or when he is on official leave of absence
23 or on travel outside the territorial jurisdiction of the republic of the Philippines, the
24 regional vice governor, or if there be none or in case of his permanent or temporary
25 incapacity or refusal to assume office, the speaker of the regional assembly shall
26 exercise the powers, duties and functions of the regional governor as prescribed by law
27 enacted by the regional assembly or in the absence, thereof, by the pertinent provisions
28 of the local government code.

29 **SEC. 13. *Removal of Regional Governor or Vice Governor.*** - The regional
30 governor or the regional vice governor may be removed from office for culpable
31 violation of the constitution or this organic act, as amended, treason, bribery, graft and

1 corruption, other high crimes, or betrayal of public trust by a three-fourths (3/4) vote of
2 all the members of the regional assembly.

3 The proceedings of the regional assembly for the removal of the regional
4 governor or vice governor shall be presided over by the presiding justice of the court of
5 appeals. The regional assembly may initiate moves for the removal of the regional
6 governor or the regional vice governor under this section by a majority vote of all its
7 members. The regional assembly shall promulgate the necessary rules to carry out the
8 purposes of this section.

9 The regional governor may also be suspended or removed by the President for
10 culpable violation of the constitution, treason, bribery, graft and corruption and other
11 high crimes.

12 Notwithstanding the provisions of the immediately preceding paragraphs, the
13 regional governor or the regional vice governor may be charged criminally for any
14 offense before the proper regional trial court. The said court may order his or her
15 preventive suspension from office for not more than two (2) months pending the
16 termination of the criminal case or cases. The court may also order the removal of the
17 governor or governor from office as a part of its decision of conviction.

18 **SEC. 14. Recall of Regional Governor, Vice Governor or Members of Regional**
19 **Assembly.** - The regional governor, the regional vice governor or members of the
20 regional assembly may be recalled only once during their respective terms of office for
21 loss of confidence.

22 The regional assembly shall provide the procedure and system whereby such
23 recall can be made.

24 No recall shall take place within one (1) year from the date of the assumption of
25 office of the official concerned or one (1) year immediately preceding a regional
26 election. In the absence of the procedure and system of recall enacted by the regional
27 assembly, the procedure and system of such recalls shall be governed by the
28 provisions of Republic Act No. 7160, the local government code of 1991.

29 **SEC. 15. Punishment for Disorderly Behavior.** - Upon the recommendation of
30 the proper committee, the regional assembly may punish its members for disorderly
31 behavior. With the concurrence of the majority of its members, the regional assembly

1 may admonish, reprimand or censure an erring member. With the concurrence of two-
2 thirds (2/3) of all its members, it may suspend or expel such erring member. The
3 penalty of suspension shall not exceed sixty (60) days.

4 **SEC. 16. *Prohibition Against Holding of Other Offices or Conflict of Interests.*** -

5 The regional governor, the regional vice governor, the members of the cabinet or their
6 deputies shall not hold any other office or employment during their tenure. They shall
7 not, during said tenure, directly or indirectly, practice any other profession, participate in
8 any business, or be financially interested in any contract with, or in any franchise or
9 special privilege granted by the government or any subdivision, agency, or
10 instrumentality thereof, including government-owned-or-controlled corporations or their
11 subsidiaries. They shall strictly avoid conflicts of interest in the conduct of their office.

12 The spouses and relatives by consanguinity or affinity within the fourth civil
13 degree respectively of the regional governor, the regional vice governor, the members
14 of the cabinet, or their deputies shall not, during their tenure, be appointed members of
15 the regional cabinet or chairmen of regional commissions or heads of bureaus or
16 offices, including government-owned-or-controlled corporations and their subsidiaries
17 located in the autonomous region.

18 **SEC. 17. *APPOINTMENTS BY ACTING REGIONAL GOVERNOR.*** -

19 Appointments extended by the acting regional governor before the assumption of office
20 by the elected regional governor shall remain effective, unless revoked by the elected
21 regional governor within ninety (90) days from his or her assumption of office.

22 **SEC. 18.** The regional governor shall not issue appointments, remove
23 personnel, or, unless authorized by the commission on elections, undertake public
24 works projects, within the prohibited period before and after a regional election as
25 provided by law.

26 **SEC. 19. *Appointments by Regional Governor.*** - The regional governor shall
27 appoint, in addition to the members of the cabinet and their deputies, the chairmen and
28 members of the commissions and the heads of bureaus of the regional government,
29 and those whom he may be authorized by this organic act, as amended, or by regional
30 law to appoint. The regional assembly may, by law, vest the appointment of other

officers or officials lower in rank on the heads of departments, agencies, commissions, or boards.

The powers, functions, responsibilities and structure of the departments, agencies, bureaus, offices and instrumentalities of the regional government including the corporations owned-or-controlled by the regional government shall be prescribed and defined by the regional assembly.

SEC. 20. *Power of Regional Governor Over Commissions, Agencies, Boards, Bureaus and Offices.* - Subject to the exceptions provided for in this organic act, as amended, the regional governor shall have control of all the regional executive commissions, agencies, boards, bureaus and offices. He shall ensure that laws are faithfully executed.

SEC. 21. *Fiscal Year; Submission of Budget.* - The fiscal year of the autonomous region shall cover the period January 1 to December 31 of the every year.

(a) *Regional Budget.* The regional governor shall submit to the regional assembly not later than two (2) months before the beginning of every regular session, as the basis of the regional appropriations bill, a budget of expenditures and sources of financing, including receipts from existing and proposed revenue measures.

(b) *Regional Assembly Power Over Budget.* The regional assembly may not increase the appropriations recommended by the regional governor for the operation of the autonomous government as specified in the budget. The form, content and manner of preparation of the budget shall be prescribed by law enacted by the regional assembly. Pending the enactment of such law, the budgeting process shall be governed by existing laws and rules and regulations prescribed by the department of budget and management.

(c) *Prohibition Against Riders.* No provision or enactment shall be embraced in the regional appropriations bill unless it relates specifically to some particular appropriation therein. Any such provision or enactment shall be limited in its operation to the appropriation to which it relates.

(d) *Procedure for Approval.* In approving appropriations for its own operations, the regional assembly shall strictly follow the procedure for approving the appropriations for the other departments and agencies of the regional government.

1 (e) *Specific Purpose and Availability of Funds.* A special appropriations bill shall
2 specify the purpose for which it is intended and shall be supported by funds actually
3 available or to be raised by a corresponding revenue proposal as certified to by the
4 treasurer of the regional government.

5 (f) *Transfer of Funds.* No regional law shall be passed authorizing any transfer of
6 appropriations. The regional governor, the speaker of the assembly and the presiding
7 justice of the highest Shari'ah court may, however, be authorized by law enacted by the
8 regional assembly, to augment any item in the Regional General Appropriations Law for
9 their respective offices from savings in other items of their respective appropriations.

10 (g) *Discretionary Funds.* Discretionary funds appropriated for particular officials
11 shall be disbursed only for public purposes as evidenced by appropriate vouchers and
12 subject to such guidelines as prescribed by law enacted by the regional assembly.

13 **SEC. 22. Budget Approval; Automatic Reenactment.** - The regional governor
14 shall approve the budget of the autonomous region within one (1) month from its
15 passage by the regional assembly. If, by the end of a fiscal year, the regional assembly
16 shall have failed to pass the regional appropriations bill for the ensuing fiscal year, the
17 Regional Appropriations Act for the preceding fiscal year shall be deemed automatically
18 reenacted and shall remain in force and effect until the regional appropriations bill is
19 passed by the regional assembly.

20 **SEC. 23. Veto Power of the Regional Governor; Votes to Override.** - The
21 regional governor shall have the power to veto any particular item or items in an
22 appropriation or revenue bill, but the veto shall not affect the item or items to which he
23 does not object. The regional assembly may override the veto by a two-thirds (2/3) vote
24 of all its members.

25 **SEC. 24. (a) Law to Authorize Use of Money.** No money shall be paid out of the
26 regional treasury except in pursuance of an appropriation made by regional law.

27 (b) *Prohibitions Against Sectarian Purposes; Exception.* No public money or
28 property shall be appropriated, applied, paid or employed, directly or indirectly, for the
29 use, benefit, or support of any sect, church, denomination, sectarian institution, or
30 system of religion or of any priest, imam, preacher, minister, or other religious teacher
31 or dignitary as such, except when such priest, imam, preacher, minister or dignitary is

1 assigned to the regional police force or to any penal institution, or government
2 orphanage, or leprosarium within the region.

3 (c) *Special Fund*. All money collected on any regional tax levied for a special
4 purpose shall be treated as a special fund and paid out for such special purpose only. If
5 the purpose for which special fund was created has been fulfilled or abandoned, the
6 balance, if any, shall accrue to the general funds of the regional government.

7 (d) *Trust Funds*. Trust funds shall only be paid out of the regional treasury for the
8 specific purpose for which said funds were created or received.

9 (e) *Authorization by Regional Governor or Representative*. No funds or resources
10 shall be disbursed unless duly approved by the regional governor or by his duly
11 authorized representative.

12 ARTICLE IX

13 Administration Of Justice

14 **SEC. 1. *Exercise of Judicial Power*.** - (a) The supreme court shall continue to
15 exercise its judicial powers as defined by the constitution and existing laws. (b) The
16 court of appeals, and other courts established by law shall, likewise, continue to
17 exercise their judicial powers pursuant to the existing laws except as to matters covered
18 by the Shari'ah as provided by this organic act, as amended.

19 **SEC. 2. *Justices from Autonomous Region*.** - It shall be the policy of the central
20 government that, at least, one (1) justice in the supreme court and two (2) justices in the
21 court of appeals shall come from qualified jurists of the autonomous region. For this
22 purpose, the regional governor may, after consultations with the regional assembly and
23 concerned sectors in the autonomous region, submit the names of qualified persons to
24 the judicial and bar council for its consideration. The appointments of those
25 recommended by the regional governor to the judicial positions mentioned above are
26 without prejudice to appointments that may be extended to other qualified inhabitants of
27 the autonomous region to other positions in the judiciary.

28 **SEC. 3. *Membership in the Judicial and Bar Council*.** - The President shall
29 appoint a qualified person as a member of the judicial and bar council recommended by
30 the regional governor in consultation with the concerned sectors of the autonomous
31 region. The person recommended by the regional governor shall first be confirmed by

1 the regional assembly. Once appointed by the President, the appointee shall sit with the
2 judicial and bar council only to consider matters of appointments to judicial positions in
3 the autonomous region.

4 **SEC. 4. Deputy Court Administrator.** - The office of the deputy court
5 administrator for the autonomous region is hereby created. The deputy court
6 administrator for the autonomous region shall be appointed by the chief justice of the
7 supreme court from among three recommendees submitted by the regional governor
8 upon previous confirmation by the regional assembly and after consultation with the
9 concerned sectors of the autonomous region.

10 **SEC. 5. Shari'ah Courts.** - The regional assembly of the autonomous region
11 shall provide for the establishment of Shari'ah courts. Shari'ah courts existing as of the
12 date of the approval of this organic act, as amended, shall continue to discharge their
13 duties. The judges, thereof, may, however, be reshuffled upon recommendation of the
14 deputy court administrator of the autonomous region.

15 **SEC. 6. Shari'ah Public Assistance Office.** - There is hereby created a Shari'ah
16 public assistance office. The office shall be staffed by a director and two (2) lawyers
17 who are members of the Philippine Shari'ah bar. They may be assisted by such
18 personnel as may be determined by the regional assembly. Unless otherwise provided
19 by regional law, the compensation of the director and the Shari'ah lawyers shall be
20 equivalent to the salary grade of a Director III and a trial lawyer of the public assistance
21 office, respectively.

22 The Shari'ah public assistance office is hereby established in each of the
23 Shari'ah judicial districts to provide free legal assistance to poor or indigent party
24 litigants.

25 **SEC. 7. Shari'ah Appellate Court.** - There is hereby created a Shari'ah
26 appellate court which, together with other Shari'ah and tribal courts, shall have
27 jurisdiction over cases involving persons, family and property relations respectively
28 involving Muslims and members of the indigenous cultural communities.

29 The regional assembly shall, in consultation with the supreme court, determine
30 the number and the jurisdiction of these courts.

1 **SEC. 8. *Shari'ah Appellate Court Composition.*** - The Shari'ah appellate court
2 shall be composed of one (1) presiding justice and two (2) associate justices. Any
3 vacancy shall be filled within ninety (90) days from the occurrence thereof.

4 **SEC. 9. *Powers of the Shari'ah Appellate Court.*** - The Shari'ah appellate court
5 shall have the following powers:

6 (a) Exercise original jurisdiction over petitions for certiorari, prohibition,
7 mandamus, habeas corpus, and other auxiliary writs and processes in aid of its
8 appellate jurisdiction; and

9 (b) Exercise exclusive appellate jurisdiction over all cases tried in the Shari'ah
10 district courts as established by law.

11 **SEC. 10. *Shari'ah Appellate Court Decisions.*** - The decisions of the Shari'ah
12 appellate court shall be final and executory. Nothing herein contained shall, however,
13 affect the original and appellate jurisdiction of the supreme courts as provided in the
14 constitution.

15 **SEC. 11. *Shari'ah Appellate Court Justices Qualifications and Appointments.*** -
16 The justices of the Shari'ah appellate court shall possess the same qualifications as
17 those of the justices of the court of appeals and, in addition, shall also be learned in
18 Islamic law and jurisprudence.

19 The members of the Shari'ah appellate court shall be appointed by the President
20 from a list of at least three (3) nominees prepared by the judicial and bar council. The
21 nominees shall be chosen from a list of recommendees submitted by the regional
22 assembly. Such appointments need no confirmation.

23 **SEC. 12. *Shari'ah Appellate Court Justices Tenure of Office.*** - The presiding
24 and associate justice of the Shari'ah appellate court shall serve until they reach the age
25 of seventy (70) years, unless sooner removed for cause in the same manner as justices
26 of the court of appeals or become incapacitated to discharge the duties of their office.

27 **SEC. 13. *Shari'ah Appellate Court Justices Compensation.*** - The presiding
28 justice and associate justices of the Shari'ah appellate court shall receive the same
29 compensation and enjoy the same privileges as the presiding justice and associate
30 justices of the court of appeals, respectively.

SEC. 14. *Shari'ah Appellate Court Administrator and Clerk of Court.* - The supreme court shall, upon recommendation of the presiding justice of the Shari'ah appellate court, appoint the court administrator and clerk of court of the appellate court. Such other personnel as may be necessary for the Shari'ah appellate court shall be appointed by the presiding justice of said court.

The pertinent provisions of existing law regarding the qualifications, appointments, compensations, functions, duties and other matters relative to the personnel of the court of appeals shall apply to those of the Shari'ah appellate court.

SEC. 15. *Prohibition Against Holding of Other Offices.* - The justices of the Shari'ah appellate court and the judges of other Shari'ah courts shall not be appointed or designated to any office or agency performing quasi-judicial or administrative functions.

SEC. 16. *Shari'ah Appellate Court Official Seat.* - The official seat of the Shari'ah appellate court shall unless the supreme court decides otherwise, be in the province or city where the seat of the regional government is located.

SEC. 17. *Shari'ah Appellate Court Proceedings.* - Proceedings in the Shari'ah appellate court and in the Shari'ah lower courts in the autonomous region shall be governed by such special rules as the supreme court may promulgate.

SEC. 18. *Shari'ah Courts.* - The Shari'ah district courts and the Shari'ah circuit courts created under existing laws shall continue to function as provided therein. The judges of the Shari'ah courts shall have the same qualifications as the judges of the regional trial courts, the metropolitan trial courts or the municipal trial courts, as the case may be. In addition, they must be learned in Islamic law and jurisprudence.

SEC. 19. *Tribal Courts.* - There is hereby created a system of tribal courts, which may include a tribal appellate court, for the indigenous cultural communities in the autonomous region. These courts shall determine, settle and decide controversies and enforce decisions involving personal, family and property rights of members of the indigenous cultural community concerned in accordance with the tribal codes of these communities. These courts may also exercise exclusive jurisdiction over crimes committed by members of indigenous cultural communities where the imposable penalty as prescribed by the Revised Penal Code or other pertinent law does not

1 exceed imprisonment of six years or a fine not exceeding fifty thousand pesos or both
2 such imprisonment and fine and where the offended party or parties are also members
3 of the indigenous cultural community concerned.

4 The regional assembly shall define the composition and jurisdiction of the said
5 courts in accordance with this organic act, as amended.

6 **SEC. 20. *Jurisconsult in Islamic Law.*** - The regional assembly shall give priority
7 consideration to the organization of the office of jurisconsult in Islamic law as
8 established under existing law and provision for its facilities to enable the proper
9 functioning of the office.

10 **SEC. 21. *Customary Law.*** - The regional assembly shall provide for the
11 codification of indigenous laws and compilation of customary laws of the Muslims and
12 the indigenous cultural communities in the autonomous region.

13 **SEC. 22. *Application and Interpretation of Laws.*** - The provisions of the Muslim
14 code and the tribal code shall be applicable only to Muslims and other members of
15 indigenous cultural communities respectively and nothing herein shall be construed to
16 operate to the prejudice of the people in the autonomous region who are non-Muslims
17 and non-members of indigenous cultural communities.

18 In case of conflict between the Muslim code and the tribal code, the national law
19 shall apply.

20 In case of conflict between the Muslim code or the tribal code on the one hand,
21 and the national law on the other, the latter shall prevail.

22 Except in cases of successional rights to property, the regular courts shall
23 acquire jurisdiction over controversies involving real property located outside the area of
24 autonomy. Muslims who sue other Muslims or members of indigenous cultural
25 communities who sue other members of indigenous cultural communities over matters
26 covered respectively by Shari'ah or by tribal laws may agree to litigate their grievances
27 before the proper Shari'ah or tribal court in the autonomous region. The procedure for
28 this recourse to the Shari'ah or tribal court shall be prescribed by the supreme court.

29 **SEC. 23. *Bases for Interpretation of Islamic Law.*** - Subject to the provisions of
30 the constitution, the Shari'ah courts shall interpret Islamic law based on sources such
31 as:

42

- 1 (a) Al-Qur'an (The Koran);
- 2 (b) Al-Sunnah (Prophetic traditions);
- 3 (c) Al-Qiyas (Analogy); and
- 4 (d) Al-Ijima (Consensus).

5 **SEC. 24. *Shari'ah Powers and Functions.*** - The powers and functions of the
6 Shari'ah courts and the Shari'ah public assistance office shall be defined by the regional
7 assembly subject to the provisions of the constitution.

8 **ARTICLE X**

9 **Fiscal Autonomy**

10 **SEC. 1. *Revenue Source.*** - The regional government shall have the power to
11 create its own sources of revenues and to levy taxes, fees and charges, subject to the
12 provisions of the constitution and this organic act, as amended.

13 **SEC. 2. *Fiscal Autonomy.*** - The regional government shall enjoy fiscal
14 autonomy in raising and budgeting its own sources of revenue, its share of the internal
15 revenue taxes and block grants and subsidies remitted to it by the central government
16 or any donor.

17 The utilization of its share of the internal revenue taxes and block grants or
18 subsidies from the central government shall be subject to a semi-annual and annual
19 audits by the commission on audit and to the rules and regulations of the department of
20 budget and management. All accountable officials of the regional government shall,
21 upon demand, furnish the commission on audit all documents, papers and effects
22 necessary for the completion of the audit. Failure to do so shall empower the President
23 or the secretary of finance to reduce, suspend or cancel the release of funds intended
24 for the autonomous region to the extent of the amounts that cannot be audited for
25 reasons attributable to the officials of the autonomous region or are unaccounted for
26 after audit.

27 If more than half of the funds released to the autonomous region by the central
28 government remain unaccounted for six (6) months after the audit mentioned above, the
29 secretary of finance may also suspend or cancel the release of any or all funds
30 allocated by the central government for the autonomous region. Officials of the regional
31 government who fail to submit the documents, papers and effects demanded by the

1 commission on audit within the period specified herein may be suspended or removed
2 from office by the President upon recommendation of the secretary of finance.

3 The utilization of the revenue raised by the regional government and block grants
4 or subsidies remitted to it by foreign or domestic donors shall be subject to the rules and
5 regulations of the regional government department of the budget and management, if
6 any, and to audit by regional government auditors. In the absence of such rules and
7 regulations, the audit of the said funds, block grants or subsidies shall be done by the
8 commission on audit and the use thereof shall be in accordance with the rules and
9 regulations of the department of the budget and management of the central
10 government.

11 The results of the audit mentioned in this Section shall be published in national
12 newspapers of general circulation and in newspapers of regional circulation. The results
13 shall also be announced over government-owned radio and television stations.

14 **SEC. 3. *Regional Tax Code.*** - The regional assembly may enact a regional
15 government tax code. Until the regional government tax code is enacted, the pertinent
16 provisions of Republic Act No. 7160, the local government code of 1991, shall apply to
17 tax ordinances of the provinces, cities, municipalities and barangay within the
18 autonomous region.

19 **SEC. 4. *Regional Economic and Financial Programs.*** - The regional
20 government may formulate its own economic and financial programs, subject to the
21 provisions of the constitution.

22 **SEC. 5. *Uniform, Equitable Taxation; Prohibition Against Confiscatory Taxes,***
23 ***Fees.*** - In enacting revenue-raising measures, the regional assembly shall observe the
24 principles of uniformity and equity in taxation and shall not impose confiscatory taxes or
25 fees of any kind. Until a regional tax code shall have been enacted by it, the regional
26 assembly may not revoke or amend, directly or indirectly, any city or municipal
27 ordinances imposing taxes or fees on purely local businesses. Prior to the revocation or
28 amendment of such city or municipal ordinances, the regional assembly shall consult
29 with the city or municipal government concerned.

30 **SEC. 6. *Payment of Taxes.*** - Corporations, partnerships, or firms directly
31 engaged in business in the autonomous region shall pay their corresponding taxes,

1 fees, and charges in the province, city, or municipality where the corporation,
2 partnership or firm is doing business.

3 Corporations, partnerships, or firms whose central, main or head offices are
4 located outside the autonomous region but which are doing business within its territorial
5 jurisdiction, by farming, developing or utilizing the land, aquatic, or natural resources
6 therein, shall pay the income taxes corresponding to the income realized from their
7 business operations in the autonomous region to the city, or municipality where their
8 branch offices or business operations or activities are located.

9 **SEC. 7. *Extent of Tax Powers; Exceptions.*** - Unless otherwise provided herein,
10 the taxing power of the regional government and of the provinces, cities, municipalities
11 and barangay located therein shall not extend to the following:

12 (a) Income tax, except when levied on banks and other financial institutions;

13 (b) Documentary stamps tax;

14 (c) Taxes on estate, inheritance, gifts, legacies and other acquisitions *mortis*
15 *causa*, except as otherwise provided by law;

16 (d) Customs duties, registration fees of vessel and wharfage on wharves,
17 tonnage dues and all other kinds of custom fees, charges and dues except vessels
18 which are registered by their owners with the regional government and wharfage on
19 wharves constructed and maintained by the regional government or the local
20 government unit concerned;

21 (e) Taxes, fees or charges and other impositions upon goods carried into or
22 out of, or passing through the territorial jurisdictions of the provinces, cities,
23 municipalities or barangay of the autonomous region in the guise of charges for
24 wharfage, tolls for bridges or otherwise, or other taxes, fees or charges in any form
25 whatsoever upon such goods or merchandise except tolls on bridges or roads
26 constructed and maintained by the provinces, cities, municipalities or barangay
27 concerned or by the regional government.

28 (f) Taxes, fees, or charges on agricultural and aquatic products when sold by
29 marginal farmers or fisherfolk;

(g) Taxes on business enterprises certified by the board of investments or by the regional assembly as pioneer or non-pioneer for a period of six (6) and four (4) years, respectively from the date of registration;

(h) Excise taxes on articles enumerated under the national internal revenue code, and taxes, fees or charges on petroleum products;

(i) Percentage or value-added tax (VAT) on sales, barter or exchanges or similar transactions on goods or services except as otherwise provided by law;

(j) Taxes on the gross receipts of transportation contractors and persons engaged in the transportation of passengers or freight by hire and common carriers by air, land or water except as provided in this organic act, as amended;

(k) Taxes on premiums paid by way of reinsurance or retrocession;

(l) Taxes, fees or other charges on Philippine products actually exported, except as otherwise provided by law enacted by the congress;

(m) Taxes, fees or charges on countryside, barangay business enterprises and cooperatives duly registered under Republic Act No. 6810, the "Magna Carta for Countryside and Barangay Business Enterprises" and Republic Act No. 6938, the "Cooperatives Code of the Philippines", respectively, and

(n) Taxes, fees or charges of any kind on the central government, its agencies and instrumentalities, and local government units except on government-owned or -controlled corporations or entities that are primarily organized to do business.

SEC. 8. Sources Of Regional Government Revenue. - The sources of revenues of the regional government shall include, but are not limited to, the following:

(a) Taxes, except income taxes, imposed by the regional government;

(b) Fees and charges imposed by the regional government;

(c) Taxes, fees, or charges for the registration of motor vehicles and for the issuances of all kinds of licenses or permits for the driving thereof, except tricycles which shall be registered with the city or municipality within whose territorial boundaries they are operated;

(d) Shares and revenue generated from the operations of public utilities within the autonomous region;

(e) Appropriations, shares in the internal revenue taxes, block grants and other budgetary allocations coming from the central government; and

(f) Block grants derived from economic agreements or conventions entered into or authorized by the regional assembly, donations, endowments, foreign assistance, and other forms of aid, subject to the pertinent provisions of the constitution.

SEC. 9. *Sharing of Internal Revenue, Natural Resources Taxes, Fees and Charges.* - The collections of a province or city from national internal revenue taxes, fees and charges, and taxes imposed on natural resources, shall be distributed as follows:

(a) Thirty-five percent (35%) to the province or city;

(b) Thirty-five percent (35%) to the regional government; and

(c) Thirty percent (30%) to the central government.

The share of the province shall be apportioned as follows: Forty-five (45%) percent to the province, Thirty-five (35%) percent to the municipality and Twenty percent (20%) to the barangay.

The share of the city shall be distributed as follows: Fifty percent (50%) to the city and Fifty (50%) percent to the barangay concerned.

The province or city concerned shall automatically retain its share and remit the shares of the regional government and the central government to their respective treasurers who shall, after deducting the share of the regional government as mentioned in paragraphs (b) and (c) of this section, remit the balance to the national government within the first five days of every month after the collections were made.

The remittance of the shares of the provinces, cities, municipalities and barangay in the internal revenue taxes, fees and charges and the taxes, fees and charges on the use, development and operation of natural resources within the autonomous region shall be governed by law enacted by the regional assembly.

The remittances of the share of the central government of the internal revenue taxes, fees and charges and on the taxes, fees and charges on the use, development and operation of the natural resources within the autonomous region shall be governed by the rules and regulations promulgated by the department of finance of the central government.

1 Officials who fail to remit the shares of the central government, the regional
2 government and the local government units concerned in the taxes, fees and charges
3 mentioned above may be suspended or removed from office by order of the secretary of
4 finance in cases involving the share of the central government or by the regional
5 governor in cases involving the share of the regional government and by the proper
6 local government executive in cases involving the share of local government.

7 **SEC. 10. *Treasury Bills, Notes and Other Debt Papers.*** - The regional
8 government may issue treasury bills, bonds, promissory notes and other debt papers or
9 documents pursuant to law enacted by the regional assembly.

10 **SEC. 11. *Economic Agreements.*** - Subject to the provisions of the constitution,
11 the regional government shall evolve a system of economic agreements and trade
12 compacts to generate block grants for regional investments and improvements of
13 regional economic structures which shall be authorized by law enacted by the regional
14 assembly. Pursuant to specific recommendations of the regional economic and
15 development planning board, the regional government may assist local government
16 units in their requirements for counterpart funds for foreign-assisted projects.

17 **SEC. 12. *Donations or Grants; Tax Deductible.*** - The regional government may
18 accept donations or grants for the development and welfare of the people in the
19 autonomous region. Such donations or grants that are used exclusively to finance
20 projects for education, health, youth and culture, and economic development, may be
21 deducted in full from the taxable income of the donor or grantor.

22 **SEC. 13. *Regional Tax Exemptions.*** - The regional assembly may grant
23 exemptions from regional taxes.

24 **SEC. 14. *Foreign or Domestic Loans.*** - The regional governor may be
25 authorized by the regional assembly to contract foreign or domestic loans in accordance
26 with the provisions of the constitution. The loans so contracted may take effect upon
27 approval by a majority of all the members of the regional assembly.

28 **SEC. 15. *Collection and Sharing of Internal Revenue Taxes.*** - The internal
29 revenue taxes collected within the autonomous region for a period of six (6) years
30 starting from the date of the effectivity of this Act shall be allotted for the use of the

1 regional government in the Annual General Appropriations Act of the central
2 government.

3 The Bureau of Internal Revenue or the duly authorized treasurer of the province,
4 city or municipality concerned shall collect such taxes and remit the shares of the
5 regional government and the central government directly to their respective treasurers
6 or through their duly accredited depository banks within thirty (30) days from the end of
7 each quarter of the year. Failure to so remit the share of the central government may
8 cause the suspension, withholding or forfeiture of the share of the province, city or
9 municipality concerned to the extent of the amount that had not been remitted in favor
10 of the central government.

11 Fifty percent (50%) of the yearly incremental revenue from tax collections under
12 Section 106, value-added tax on sales of goods or properties; Section 108. Value-
13 added tax on sale of services and use or lease of properties, and Section 116, tax on
14 persons exempt from value-added tax, of the national internal revenue code, shall be
15 shared by the regional government and the local government units within the area of
16 autonomy as follows:

17 (a) Forty percent (40%) shall accrue to and be retained by the city or
18 municipality which collected the taxes;

19 (b) Thirty percent (30%) shall accrue and be remitted by the city or
20 municipality which collected the taxes to the provincial government concerned; and

21 (c) Thirty percent (30%) percent shall accrue and be remitted by the city or
22 municipality that collected the taxes to the regional autonomous government.

23 The city or municipality concerned shall directly remit the shares of the taxes to
24 their provincial government and the regional government, respectively, thru their latter's
25 duly authorized treasurers or banks within thirty (30) days from the end of each quarter
26 of every year.

27 Officials responsible for the non-remittance as provided herein may also be
28 suspended or removed from office as specified elsewhere in this Act, as amended.

29 The provinces, cities, municipalities and barangay within the autonomous region
30 shall continue to receive their respective shares of the internal revenue taxes as

provided for in Section 284 of the local government code of 1991. The six-year (6) period above mentioned may be extended by an executive order of the President.

ARTICLE XI

Ancestral Domain, Ancestral Lands and Agrarian Reform

SEC. 1. *Ancestral Domain; Lands of Indigenous Cultural Communities.* -

Subject to the constitution and existing laws, the regional government shall undertake measures to protect the ancestral domain and ancestral lands of indigenous cultural communities.

All lands and natural resources in the autonomous region that have been possessed or occupied by indigenous cultural communities since time immemorial, except when prevented by war, *force majeure*, or other forms of forcible usurpation, shall form part of the ancestral domain. Such ancestral domain shall include pasture lands, worship areas, burial grounds, forests and fields, mineral resources, except strategic minerals such as uranium, coal, petroleum; and other fossil fuels, mineral oils, and all sources of potential energy; lakes, rivers and lagoons; and national reserves and marine parks, as well as forest and watershed reservations. Until laws are enacted that provide otherwise, fifty (50%) percent of the revenues derived from the utilization and development of such strategic materials shall accrue to the regional government and the provinces, cities, municipalities and barangay in the autonomous region. The sharing between the regional government and the local government units in the revenues derived from the strategic materials mentioned above shall be apportioned according to the formula set out in Section 5, Article XIII of this organic act, as amended.

Lands in the actual, open, public, and uninterrupted possession and occupation by an indigenous cultural community for at least thirty (30) years are ancestral lands.

SEC. 2. The constructive or traditional possession of lands and resources by an indigenous cultural community may also be recognized subject to judicial affirmation, the petition for which shall be instituted within a period of ten (10) years from the effectivity of this Act. The procedure for judicial affirmation of imperfect titles under existing laws shall, as far as practicable, apply to the judicial affirmation of titles to ancestral lands.

1 The foregoing provisions notwithstanding, titles secured under the Torrens
2 System, and rights already vested under the provisions of existing laws shall be
3 respected.

4 **SEC. 3.** As used in this Act, the phrase "indigenous cultural community" refers to
5 Filipino citizens residing in the autonomous region who are:

6 (a) Tribal peoples. These are citizens whose social, cultural and economic
7 conditions distinguish them from other sectors of the national community; and

8 (b) Bangsa Moro people. These are citizens who are believers in Islam and
9 who have retained some or all of their own social, economic, cultural and political
10 institutions.

11 **SEC. 4. *Cultural Communities.*** - The customary laws, traditions, and practices
12 of indigenous cultural communities on land claims and ownership and settlement of land
13 dispute shall be implemented and enforced among the members of such communities.

14 **SEC. 5. *Ecological Balance.*** - The proclamations issued by the central
15 government declaring old growth or natural forests and all watersheds within the
16 autonomous region as forest reserves are hereby reiterated. The forest reserves shall
17 not be subjected to logging operations of any nature or kind.

18 Forest concessions, timber licenses, contracts or agreements of any kind or
19 nature whatsoever granted by the central government or by the regional government as
20 of the date of the approval of this Act, are hereby cancelled, nullified and voided, and
21 shall not be renewed until thirty (30) years after the approval of this Act.

22 If the said forest reserves are logged over or are mined by authority or neglect of
23 the regional government, the funds provided by the central government including the
24 internal revenue shares of the regional government may be withheld, reduced,
25 cancelled or forfeited by order of the President.

26 Ten (10%) percent of the shares of the internal revenue taxes of the regional
27 government and of the provinces, cities, municipalities and barangay of the autonomous
28 region and all allocations for the development of the autonomous region by the central
29 government shall be devoted to reforestation projects and other environmental activities
30 to enhance the protection and development of the environment in the autonomous
31 region.

1 The regional government shall require corporations, companies and other
2 entities within the ancestral domain of the indigenous cultural communities whose
3 operations adversely affect the ecological balance to take the necessary preventive
4 measures and safeguards to restore, enhance and maintain such a balance.

5 **SEC. 6.** Unless authorized by the regional assembly, lands of the ancestral
6 domain titled to or owned by an indigenous cultural community shall not be disposed of
7 to non-members.

8 **SEC. 7.** No portion of the ancestral domain shall be open to resettlement by
9 nonmembers of the indigenous cultural communities.

10 **SEC. 8. *Regional Land Reform.*** - Subject to the provisions of the constitution,
11 the regional assembly may enact an Agrarian Reform Law suitable to the special
12 circumstances prevailing in the autonomous region.

13 **ARTICLE XII**

14 **Urban and Rural Planning and Development**

15 **SEC. 1. *Urban and Rural Development.*** - The regional government shall
16 promote and formulate comprehensive and integrated regional urban and rural
17 development policies, plans, programs and projects responsive to the needs,
18 aspirations and values of the people in the autonomous region.

19 **SEC. 2. *Indigenous Development Plans.*** - The regional government shall
20 initiate, formulate and implement special development programs and projects,
21 responsive to the particular aspirations, needs and values of the indigenous cultural
22 communities.

23 **SEC. 3. *Equitable Development.*** - The regional government shall provide
24 equitable opportunities for the development of every province, city, municipality and
25 barangay within its jurisdiction and shall strengthen their existing planning bodies to
26 ensure wider public participation.

27 **SEC. 4. *Urban Land, Land and Water Use.*** - Consistent with the constitution,
28 this organic act, as amended, and subject to ecological considerations, the regional
29 government shall within one (1) year from the approval of this organic act, as amended,
30 adopt and implement a comprehensive urban land reform and land and water use
31 program, to ensure the just utilization of lands and waters within its jurisdiction.

1 **ARTICLE XIII**

2 **Economy and Patrimony**

3 **SEC. 1. *Regional Economy and Conservation of Patrimony.*** - Consistent with
4 the constitution and existing laws, the regional assembly may enact laws pertaining to
5 the regional economy and patrimony that are responsive to the needs of the region. The
6 regional government may not lower the standards required by the central government
7 for the protection, conservation and enhancement of the natural resources.

8 **SEC. 2. *Economic Zones, Centers and Ports.*** - The regional government shall
9 encourage, promote and support the establishment of economic zones, industrial
10 centers, ports in strategic areas and growth centers to attract local and foreign
11 investments and business enterprises.

12 **SEC. 3. *Incentives for Investors.*** - The regional assembly may by law grant
13 incentives to investors in the autonomous region. The central government may likewise
14 grant incentives to investors in the autonomous region in addition to those provided by
15 the regional government.

16 **SEC. 4. *Regional Economic Zone Authority; Freeports.*** - The regional
17 government may establish a regional economic zone authority in the autonomous
18 region. The regional economic zone authority shall have similar powers as the
19 Philippine economic zone authority and consistent with the special economic zone act
20 of 1995. The regional assembly may provide such additional powers and functions to
21 the regional economic zone authority as may be necessary to meet the special
22 circumstances of the autonomous region.

23 Once the regional economic zone authority is created by a regional assembly
24 legislation, the Philippine export zone authority shall no longer authorize any other
25 economic zone within the autonomous region. Any corporation, firm or entity
26 established within the autonomous region by authority of the Philippine export zone
27 authority shall be placed under the jurisdiction of the regional economic zone authority
28 and shall continue to enjoy the benefits granted to it by the Philippine export zone
29 authority.

30 **SEC. 5. *Use, Development of Mines, Minerals and Other Natural Resources;***
31 ***Revenue Sharing; Exceptions.*** - (a) *Regional Supervision and Control.* The control and

1 supervision over the exploration, utilization, development and protection of the mines
2 and minerals and other natural resources within the autonomous region are hereby
3 vested in the regional government in accordance with the constitution and the pertinent
4 provisions of this organic act, as amended, except for the strategic minerals such as
5 uranium, petroleum, and other fossil fuels, mineral oils, all sources of potential energy,
6 as well as national reserves and aquatic parks, forest and watershed reservations
7 already delimited by authority of the central government and those that may be defined
8 by an Act of congress within one (1) year from the effectivity of this Act, as amended.

9 (b) *Sharing between Central Government and Regional Government in Strategic*
10 *Minerals Revenues, Taxes or Fees.* Fifty (50%) percent of the revenues, taxes or fees
11 derived from the use and development of the strategic minerals shall accrue and be
12 remitted to the regional government within thirty (30) days from the end of every quarter
13 of every year. The other fifty (50%) shall accrue to the central government.

14 (c) *Sharing between Regional Government and Local Government Units in*
15 *Strategic Minerals Revenues, Taxes or Fees.* The share of the regional government
16 mentioned above is hereby apportioned as follows: thirty percent (30%) to the regional
17 government; twenty percent (20%) to all the provinces; fifteen percent (15%) to all the
18 cities; twenty percent (20%) to the all municipalities and fifteen percent (15%) to all the
19 barangay. If there are no cities in the autonomous region as of the date the sharing
20 above mentioned is done, the share of the cities shall be divided equally by all the
21 provinces, municipalities and barangay in the autonomous region.

22 (d) *Regional Assembly Authority to Grant Franchises and Concessions and*
23 *Empower Regional Governor to Grant Leases, Permits and Licenses.* The regional
24 assembly shall by law have the authority to grant franchises and concessions and may
25 by law empower the regional governor to grant leases, permits and licenses over
26 agricultural, forest or mineral lands. The said leases, permits, franchises or concessions
27 shall, however, cover areas not exceeding the limits allowed by the constitution and
28 shall subsist for a period not exceeding twenty-five (25) years. Except as provided in
29 this Act, existing leases, permits, licenses, franchises and concessions shall be
30 respected until their expiration unless legally terminated earlier as provided by law
31 enacted either by congress or by the regional assembly.

1 (e) *Consultations with Cultural Communities, Needed.* The permits, licenses,
2 franchises or concessions over the natural resources located within the boundaries of
3 an ancestral domain shall be issued by the regional assembly only after consultations
4 are conducted with the cultural community concerned.

5 **SEC. 6.** *Use and Development of Natural Resources Open to Citizens.* - The
6 exploration, development and utilization of natural resources, except those referred to in
7 the first paragraph of Section 5 of this Article, shall be allowed to all citizens and to
8 private enterprises, including corporations, associations, cooperatives, and such other
9 similar collective organizations with at least sixty percent (60%) of their capital
10 investment or capital stocks directly controlled or owned by citizens.

11 **SEC. 7.** *Preferential Rights of Citizen-Inhabitants of Autonomous Region.* -
12 Subject to the exceptions provided in this Act, as amended, citizens who are inhabitants
13 of the autonomous region shall have preferential rights over the exploration, utilization
14 and development of natural resources of the autonomous region. Existing rights over
15 the exploration, utilization and development of natural resources shall be respected
16 subject to the exceptions specified in this Act, as amended.

17 **SEC. 8.** *Rules, Regulations and Fees.* - The regional assembly shall by law
18 regulate the exploration, utilization, development, and protection of the natural
19 resources, including the mines and minerals, except the strategic minerals as provided
20 in this Act. The regional government shall, pursuant to the said law, shall prescribe the
21 rules and regulations and impose regulatory fees in connection therewith. Upon the
22 enactment of the said law and the effectivity of such rules and regulations, the fees
23 imposed by the regional government shall replace those that had been imposed by the
24 central government.

25 **SEC. 9.** *Regulation of Small-Scale Mining.* - Small-scale mining shall be
26 regulated by the regional government to the end that the ecological balance, safety and
27 health and the interests of the indigenous cultural communities, the miners and the
28 people of the place where such operations are conducted are duly protected and
29 safeguarded.

30 **SEC. 10.** *Regional Economic and Development Planning Board; Composition*
31 *and Functions.* - There is hereby created a regional economic and development

1 planning board. The board shall be chaired by the regional governor. The members of
2 the board shall be composed of all the provincial governors and the city mayors of the
3 provinces and cities within the autonomous region; the speaker and two (2) members of
4 the regional assembly who shall be appointed by the speaker, one of whom shall be
5 nominated by the opposition; and five representatives elected by the private sector as
6 prescribed by the regional assembly.

7 The board shall serve as the planning, monitoring and coordinating agency for all
8 development plans, projects and programs intended for the autonomous region. It shall
9 evaluate and recommend for approval by the regional assembly the annual work
10 programs and comprehensive development plans of the autonomous region. Once
11 approved, it shall be the duty of the regional governor to ensure the proper
12 implementation of the said annual work programs and comprehensive development
13 plans.

14 The board shall formulate a master plan for a systematic, progressive and total
15 development of the region. The master plan shall take into account the development
16 plans of the province, city, municipality and barangay concerned as mandated by
17 Republic Act No. 7160, the Local Government Act of 1991.

18 After due notice in writing, the attendance at meetings of the board by one third
19 of its members with the regional governor or the regional vice governor and three of the
20 representatives of the private sector being present, shall be a sufficient quorum for the
21 board to transact business.

22 The board shall adopt its own rules of procedure for the conduct of its meetings.

23 **SEC. 11. *Pioneering Public Utilities and Cooperatives.*** - The regional assembly
24 may, in the interest of regional welfare and security, establish and operate pioneering
25 public utilities. Upon payment of just compensation, it may cause the transfer of the
26 ownership of such utilities to cooperatives or other collective organizations.

27 **SEC. 12. *Proclamation of State of Emergency; Operation of Public Utilities.*** -
28 (a) *Temporary take-over of operations.* The regional government may, in times of
29 regional emergency declared by the regional governor, when the public interest so
30 requires and under such reasonable terms and safeguards as may be prescribed by the
31 regional assembly, temporarily take over or direct operation of any privately-owned

1 public utility or business affected with public interest. The public utility or business
2 concerned may contest the take over of its operations by the regional government by
3 filing a proper case or petition with the court of appeals.

4 (b) *Proclamation of state of emergency.* The regional governor may proclaim a
5 state of emergency over the region or parts thereof whenever typhoons, flash floods,
6 earthquakes, tsunamis or other natural calamities cause widespread damage or
7 destruction to life or property in the region. The state of emergency proclaimed by the
8 regional governor shall only be for the purpose of maximizing the efforts to rescue
9 imperiled persons and property and the expeditious rehabilitation of the damaged area.
10 The state of emergency proclaimed shall in no way suspend any provision of the
11 constitution or this organic act, as amended, as well as the pertinent laws promulgated
12 by the central or regional governments.

13 **SEC. 13.** *Legislating Benefits, Compensation for Victims of Mining and Mining*
14 *Operations; Rehabilitation of Affected Areas.* - The regional assembly shall enact laws
15 for the benefit and welfare of the inhabitants injured, harmed or adversely affected by
16 the harnessing of natural and mineral resources in the autonomous region. Such laws
17 may include payment of just compensation to and relocation of the people and
18 rehabilitation of the areas adversely affected by the harnessing of natural and mineral
19 resources mentioned above.

20 The regional assembly may by law require the persons, natural or juridical,
21 responsible for causing the harm or injury mentioned above to bear the costs of
22 compensation, relocation and rehabilitation mentioned above wholly or partially.

23 **SEC. 14.** *Reforestation; Support for Lumads or Tribal Peoples.* - The regional
24 government shall actively and immediately pursue reforestation measures to ensure
25 that at least fifty percent (50%) of the land surface of the autonomous region shall be
26 covered with trees, giving priority to watershed areas, strips of land along the edges of
27 rivers and streams and shorelines of lakes and the seas within or abutting the
28 autonomous region.

29 The regional government shall adopt measures for the development of lands
30 eighteen percent (18%) in slope or over by providing infrastructure, financial and
31 technical support to upland communities specially the *lumads* or tribal peoples.

1 The regional government shall also adopt measures to employ the people who
2 may be displaced by the cancellation or revocation of timber concessions, licenses,
3 contracts or agreements mentioned in paragraph, above.

4 **SEC. 15. *Prohibition Against Toxic or Hazardous Substances.*** - The regional
5 government shall prohibit the use, importation, deposit, disposal and dumping of toxic or
6 hazardous substances within the autonomous region.

7 **SEC. 16. *Business Ownership.*** - The regional government shall adopt policies
8 to promote profit sharing and broaden the base of ownership of business enterprises.

9 **SEC. 17. *Incentives, Tax Rebates and Holidays.*** - The regional assembly may
10 by law grant incentives, including tax rebates and holidays, for investors in businesses
11 that contribute to the development of the autonomous region. It may provide similar
12 incentives to companies doing business in the autonomous region which reinvest at
13 least fifty percent (50%) of their net profits therein, and to cooperatives which reinvest at
14 least ten percent (10%) of their surplus into socially-oriented projects in the autonomous
15 region.

16 **SEC. 18. *Transport and Communication Facilities, Priority Projects.*** - The
17 regional government shall give priority to the establishment of transportation and
18 communication facilities to expedite the economic development of the autonomous
19 region.

20 **SEC. 19. *Power Services Priority.*** - In the delivery of power services, priority
21 shall be given to provinces and cities in the autonomous region which need but do not
22 have direct access to such services.

23 **SEC. 20. *Pioneering Firms.*** - The regional assembly may create pioneering
24 firms and other business entities to boost economic development in the autonomous
25 region.

26 ***Agriculture, Fisheries and Aquatic Resources***

27 **SEC. 21. *Farming and Fishing Cooperatives.*** - The regional government shall
28 recognize, promote and protect the rights and welfare of farmers, farm-workers,
29 fisherfolk and fish-workers, as well as cooperatives and associations of farmers and
30 fish-workers.

1 **SEC. 22. *Agricultural Productivity; Organic Farming.*** - The regional government
2 shall encourage agricultural productivity and promote diversified and organic farming.

3 **SEC. 23. *Soil and Water Conservation.*** - The regional government shall give
4 top priority to the conservation, protection, utilization and development of soil and water
5 resources for agricultural purposes.

6 **SEC. 24. *Aquatic and Fisheries Code.*** - The regional assembly may enact an
7 aquatic and fisheries code which shall enhance, develop, conserve and protect marine
8 and aquatic resources, and shall protect the rights of subsistence fisherfolk to the
9 preferential use of communal marine and fishing resources, including seaweeds. This
10 protection shall extend to offshore fishing grounds, up to and including all waters fifteen
11 (15) kilometers from the coastline of the autonomous region but within the territorial
12 waters of the republic, regardless of depth and the seabed and the subsoil that are
13 included between two (2) lines drawn perpendicular to the general coastline from points
14 where the boundary lines of the autonomous region touch the sea at low tide and a third
15 line parallel to the general coastline.

16 The provinces and cities within the autonomous region shall have priority rights
17 to the utilization, development, conservation and protection of the aforementioned
18 offshore fishing grounds.

19 The provinces and cities concerned shall provide support to subsistence
20 fisherfolk through appropriate technology and research, adequate financial, production,
21 marketing assistance and other services.

22 The regional assembly shall enact priority legislation to ensure that fish-workers
23 shall receive a just share from their labor in the utilization, production and development
24 of marine and fishing resources.

25 The regional assembly shall enact priority legislation to develop science,
26 technology and other disciplines for the protection and maintenance of aquatic and
27 marine ecology.

28 **SEC. 25. *Agriculture and Fisheries Bureau.*** - The regional assembly shall by
29 law, create a Bureau on Agriculture and Fisheries and define its composition, powers
30 and functions.

Trade and Industry

SEC. 26. *Private Sector.* - The regional government recognizes the private sector as the prime mover of trade, commerce and industry. It shall encourage and support the building up of entrepreneurial capability in the autonomous region and shall recognize, promote, and protect cooperatives.

SEC. 27. *Cottage Industries.* - The regional government shall promote and protect cottage industries by providing assistance such as marketing opportunities, financial support, tax incentives, appropriate and alternative technology and technical training to produce semi-finished and finished products. Deserving small and medium-scale cottage industries may be provided priority assistance.

SEC. 28. *Banks & Financial Institutions.* - The regional government shall, subject to the supervision of the Bangko Sentral ng Pilipinas, encourage the establishment in the autonomous region of:

(a) Banks and financial institutions and their branches, and

(b) Off-shore banking units of foreign banks.

SEC. 29. *Islamic Banks.* - The Bangko Sentral ng Pilipinas shall establish an Islamic Bank and authorize the establishment of its branches in the autonomous region.

The members of the board of directors or trustees of the Islamic bank shall be appointed by the President upon recommendation of the regional governor. The persons recommended by the regional governor shall possess educational qualifications and sufficient experience in the management and operation of Islamic banking and shall be subject to confirmation by the regional assembly before they are recommended to the President. The board of directors or trustees of the bank shall elect from among their members the chair, the vice chair and the president of the bank. Other bank officials and employees shall be appointed by the president of the bank.

SEC. 30. *Bangko Sentral Regional Bank.* - The Bangko Sentral ng Pilipinas shall establish a Banko Sentral Regional Bank with full banking services in the capital city or any suitable municipality in the autonomous region within one (1) year from the approval of this Act, as amended. The regional governor shall submit a list of qualified persons to the appropriate Bangko Sentral authority from which the staff of the regional office may be chosen. The rights of the Bangko Sentral personnel who are occupying

positions in the Bangko Sentral Regional Office as of the date of the approval of this Act, as amended, to continue as such shall be respected.

SEC. 31. *Barter and Counter-Trade.* - Subject to *existing* Laws, the regional government shall regulate traditional barter trade and counter-trade with Indonesia, Malaysia, or Brunei. The goods or items that are bartered or counter-traded with the said countries shall not be sold elsewhere in the country without payment of appropriate customs or import duties. The department of finance shall, in consultation with the regional government, promulgate the rules to govern barter and counter-trade within six months from the approval of this Act, as amended.

SEC. 32. *Consumer Education and Welfare.* - The regional government shall promote consumer education and protect the rights, interests and general welfare of the consumers.

SEC. 33. *Local Labor and Goods.* - The regional government shall promote the preferential use of local labor and locally produced goods and materials by adopting measures to increase their competitiveness.

SEC. 34. *Foreign Investments.* - Subject to the provisions of the constitution, the regional government shall regulate and exercise authority over foreign investments within its jurisdiction. The central government may intervene in such matters only if national security is involved.

Tourism Development

SEC. 35. *Regional Tourism.* - The regional government shall have primary jurisdiction in the promotion of tourism within the autonomous region. In promoting tourism, the diverse cultural heritage, and the moral and spiritual values of the people in the autonomous region shall be upheld, respected and maintained.

SEC. 36. *Tourism Office.* - The regional assembly may, by law, create a regional tourism office, and define its composition, powers and functions.

The department of tourism of the central government shall, whenever feasible, extend financial and technical support to the tourism program of the regional government.

1 **ARTICLE XIV**

2 **Public Order and Security**

3 **SEC. 1. *Law and Order.*** - The regional government shall give priority to the
4 maintenance and preservation of law and order for the establishment of peace and the
5 protection of life, liberty and property of the people in the autonomous region, in
6 consonance with the provisions of the constitution and this Act, as amended.

7 **SEC. 2. *Regional Security Force.*** - There is hereby created a Philippine
8 National Police Regional Command for the autonomous region, hereafter called the
9 Special Regional Security Force or Regional Police Force, in short.

10 **SEC. 3. *Law Governing Regional Police Force.*** - The regional assembly shall
11 enact laws to govern the Regional Police Force consistent with the pertinent provisions
12 of the constitution and this Act, as amended.

13 The members of the Moro National Liberation Front who are integrated into the
14 Regional Police Force may be deployed in the autonomous region or elsewhere in the
15 republic as may be determined by the proper police authorities.

16 **SEC. 4. *Regional Police Force Composition.*** - The Regional Police Force shall
17 be composed of the existing Philippine National Police units within the autonomous
18 region, the members of the Moro National Liberation Front integrated into the National
19 Police units and other qualified persons who join it. Qualified residents of the
20 autonomous region shall be given priority enlistment rights to join the Regional Police
21 Force.

22 **SEC. 5. *Powers and Functions of Regional Police Force.*** - The Regional Police
23 Force shall exercise within the autonomous region the following powers and functions:

24 (a) Enforce laws enacted by the congress and by the regional assembly
25 relative to the protection of lives and properties of the people;

26 (b) Maintain law and order and ensure public safety;

27 (c) Investigate and prevent crimes, arrest criminal offenders, bring criminal
28 suspects to justice and assist in their prosecution;

29 (d) Effect other arrests, searches and seizures in accordance with the
30 constitution and pertinent laws;

(e) Detain persons for a period not exceeding what is prescribed by law, inform the person so detained of all his or her rights under the constitution and observe the human rights of all people in the autonomous region.

(f) Process applications for the licensing of firearms for approval by the proper official of the National Police;

(g) Initiate drives for the licensing or surrender of unlicensed firearms; confiscate unlicensed firearms after such drives are over; prosecute or recommend to the President the grant of amnesty or pardon to possessors of unlicensed firearms who surrender them; and

(h) Perform such other duties and exercise all other functions as may be provided by law enacted by congress or by the regional assembly.

SEC. 6. *Observance of Constitution and Laws.* - The Regional Police Force shall be charged with the preservation of peace, the maintenance of law and order, and the protection of life, liberty, and property in the autonomous region in consonance with the constitution and pertinent legislation.

The Regional Police Force shall be run professionally and free from partisan political control. The discharge of its functions shall be done impartially and with professional integrity. It shall be constrained by and accountable to the law.

SEC. 7. *Regional Police Framework and Organization.* - The philosophical framework and structural organization of the Regional Police Force shall be as follows:

(a) It shall be civilian in nature and character;

(b) The scope of its operations shall be regional. The Regional Police Force, its units or personnel may be deployed elsewhere in the republic as directed by the national police commission or when needed to suppress lawless violence, pursue and arrest criminal offenders or maintain law and order. In such circumstances, the order to deploy must be signed by the chairman of the national police commission and approved by the President. The President may also order the said deployment on his own authority.

(c) It shall be headed by a regional director who shall be assisted by two (2) deputies, one (1) for administration and one (1) for operations. The regional director and

1 the two deputies shall come from the ranks of the professional police force, preferably
2 from any province, city or municipality of the autonomous region.

3 (d) It shall have regional, provincial, and city or municipal offices;

4 (e) At the provincial level, there shall be a provincial office, headed by a
5 provincial director who shall be a professional police officer with the rank of police
6 superintendent, at least; and

7 (f) At the city or municipal level, there shall be an office or station, which shall
8 be headed by a Chief of Police who shall be a professional police officer with the rank of
9 police superintendent for the city and police inspector for the municipality.

10 **SEC. 8. Power of Regional Governor Over Regional Police Force.** - The
11 regional governor shall have the following powers over the Regional Police Force:

12 (a) To act as the deputy of the national police commission in the region and
13 as the ex-officio chair of the regional police commission.

14 (b) To exercise operational control and general supervision and disciplinary
15 powers over the Regional Police Force;

16 (c) To employ or deploy the elements of and assign or reassign the Regional
17 Police Force through the regional director. The Regional Director may not countermand
18 the order of the regional governor unless it is in violation of the constitution and the law.

19 (d) To recommend to the President the appointment of the regional director
20 and his two (2) deputies;

21 (e) To oversee the preparation and implementation of the Integrated Regional
22 Public Safety Plan;

23 (f) To impose, after due notice and summary hearings of the citizen's
24 complaints, administrative penalties on personnel of the Regional Police Force except
25 those who are appointed by the President; and

26 (g) Do everything necessary to promote widespread support by the various
27 communities making up the autonomous region for the Regional Police Force.

28 **SEC. 9. Regional Police Directors.** - The selection, assignment and
29 appointment of the Provincial and City Directors of the Regional Police Force and the
30 assignment of Moro National Liberation Front integreees shall be done pursuant to
31 Republic Act No. 6975, or the Philippine National Police Law, as amended.

1 **SEC. 10. *Regional Police Commission.*** - There is hereby created a regional
2 police commission, which shall perform the functions of the national police commission
3 in the autonomous region. the regional police commission shall be under the
4 administration and control of the national police commission. The chairman and the
5 members, thereof, shall be appointed by the regional governor subject to confirmation
6 by the regional assembly. The chairman shall be an ex-officio commissioner of the
7 national police commission on matters dealing with the regional police force.

8 The regional police commission shall have the power to investigate complaints
9 against the regional police force. Appeals from its decisions may be lodged with the
10 national police commission. Pending resolution of the appeal, its decisions may be
11 executed. The rules and regulations governing the investigation of members of the
12 national police shall be followed by the regional police commission in the absence of
13 rules and regulations enacted by the regional assembly.

14 **SEC. 11. *Regional Defense and Security.*** - The Defense and Security of the
15 autonomous region shall be the responsibility of the central government. Towards this
16 end, there is hereby created a Regional Command of the Armed Forces for the
17 autonomous region, which shall be organized, maintained and utilized in accordance
18 with national laws. The central government shall have the authority to station and
19 deploy in the autonomous region such elements of the Armed Forces as may be
20 necessary to carry out that responsibility. Qualified inhabitants of the autonomous
21 region shall be given preference for assignments in the said regional command.

22 **SEC. 12. *Calling Upon the Armed Forces.*** - The provisions of the preceding
23 sections notwithstanding, the regional governor may request the President to call upon
24 the Armed Forces:

25 (1) To prevent or suppress lawless violence, invasion or rebellion, when the
26 public safety so requires, in the autonomous region in accordance with the provisions of
27 the constitution;

28 (2) To suppress the danger to or breach of peace in the autonomous region,
29 when the Regional Police Force is not able to do so; or

30 (3) To avert any imminent danger to public order and security in the area of
31 autonomy.

1 The President may on his own accord send the Armed Forces into the
2 autonomous region to attain the above objectives if the regional governor does not act
3 within fifteen (15) days after the occurrence of the events mentioned above that need to
4 be suppressed, prevented or suppressed.

5 **SEC. 13. *Indigenous Structures.*** - The regional government shall recognize
6 indigenous structures or systems which promote peace, law and order.

7 **ARTICLE XV**

8 **Education, Science and Technology, Arts and Sports**

9 **SEC. 1. *Quality Education, A Top Priority.*** - The regional government shall
10 establish, maintain and support as a top priority a complete and integrated system of
11 quality education and adopt an educational framework that is meaningful, relevant and
12 responsive to the needs, ideals and aspirations of the people in the region.

13 The schools, colleges and universities existing in the autonomous region as of
14 the date of the approval of this Act, as amended, and such other schools and
15 institutions that may be established in the region shall be deemed integral components
16 of the educational system of the regional government.

17 The educational system of the regional government shall be deemed a sub-
18 system of the national educational system. The Regional Educational Sub-system shall
19 enjoy fiscal autonomy and academic freedom.

20 ***Educational Policies***

21 **SEC. 2. *Policies and Principles*** - Consistent with the basic state policy on
22 education, the regional government shall adopt the following educational policies and
23 principles:

24 (a) *Perpetuation of Filipino & Islamic values.* The Regional Educational
25 Subsystem shall perpetuate Filipino and Islamic values and ideals, aspirations, and
26 orientations. It shall develop the total spiritual, intellectual, social, cultural, scientific and
27 physical aspects of the people of the autonomous region to make them god-fearing,
28 productive, patriotic citizens, conscious of their Filipino and Islamic values and cultural
29 heritage;

30 (b) *Inculcation of values of peaceful settlement of disputes.* The Regional
31 Educational Subsystem shall prioritize the inculcation among the citizenry and students

1 of their commitment to the peaceful settlement of disputes and grievances and the
2 avoidance of the use of lawless violence.

3 To this end, emphasis shall be placed on the desirability and practicality of
4 relying upon democratic and legal processes rather than on the use of guns or resort to
5 violence to settle personal, familial or tribal problems. The regional assembly may, by
6 law, establish a program for the surrender of firearms with payment of compensation
7 provided by the regional government. The program may also be supported from the
8 funds of the national police.

9 (c) *Optional religious instruction.* Religious instruction in public schools shall
10 be optional, with the written consent of the parent or guardian, and taught by the
11 authorities of the religion to which the student belongs. The teaching of religion shall not
12 involve additional costs to the government in accordance with national policies;

13 (d) *Inculcation of patriotism & nationalism.* To develop, promote and enhance
14 unity in diversity, all schools in the autonomous region shall inculcate into the minds of
15 their students the values of patriotism and nationalism, appreciation of the role of
16 national and regional heroes in the historical development of the country and region,
17 foster love of humanity, respect for human rights, and teach the rights and duties of
18 citizenship, and the cultures of the Muslims, Christians, and tribal peoples in the region;

19 (e) *Vocational & special education.* The thrusts, programs and administration
20 of vocational, non-formal and special education shall be supported and made relevant
21 to the manpower needs of the region;

22 (f) *Scholarships, student loans & scholarships.* A system of scholarship
23 programs, grants, student loans, subsidies and other incentives shall be made available
24 to all poor but deserving students;

25 (g) *Funding for local education programs.* Funding for local educational
26 programs shall be the responsibility of the regional government;

27 (h) *Community participation in education.* The active participation of the
28 home, community, religious organizations and other sectors in the total educative
29 process of the child shall be encouraged and supported;

30 (i) *Development of regional language.* A regional language may be
31 evolved and developed from the different dialects in the region;

1 (j) *Media of instruction in schools.* Filipino and English shall be the media of
2 instruction in all schools in the autonomous region. Arabic shall be an auxiliary medium
3 of instruction;

4 (k) *Teaching of Arabic as subject.* Arabic shall be taught as a subject in all
5 grade levels as required for Muslims under existing laws and optional, for non-Muslims;
6 and

7 (l) *Auxiliary official languages.* Regional languages may be used as auxiliary
8 official languages in the region as well as auxiliary media of instruction and
9 communication.

10 (m) *Develop ethnic identity.* Education in the autonomous region shall develop
11 consciousness and appreciation of one's ethnic identity and shall provide a better
12 understanding of another person's cultural heritage for the attainment of national unity
13 and harmony;

14 (o) The regional government shall recognize the participation of private
15 institutions of learning, including the *Madaris* (Arabic schools), in providing quality
16 education to the people of the region; and

17 (p) (1) *Basic education structure.* The elementary level shall follow the
18 basic national structure and shall provide basic education; the secondary level will
19 correspond to four (4) years of high school, and the tertiary level shall be one (1) year to
20 three (3) years for non-degree courses and four (4) to eight (8) years for degree
21 courses, as the case may be, in accordance with existing laws;

22 (2) *Social studies subjects contents.* Filipino and Islamic values shall be
23 incorporated in the social studies subjects or their equivalent in appropriate grade levels
24 and subject to agreed norms, academic freedom, and legal limitations. These values
25 shall be taught also as a part of appropriate subjects in the secondary and tertiary levels
26 of education;

27 (3) *Textbook preparation, writing, revision & printing.* The preparation, writing,
28 revision and printing of textbooks for the use of the schools in the autonomous region
29 shall be the joint responsibility of the regional government and the central government.
30 Subject to agreed norms, academic freedom and relevant legal limits, the preparation,
31 writing, revision and printing of the textbooks shall emphasize Filipino and Islamic

values. The said values shall include those of Muslims, Christians and indigenous peoples, human rights, modern sciences and technology as well as the latest advances in education that are relevant to the ideals of the autonomous region and to the republic.

(4) *Accreditation for transfer to other schools.* After they shall have passed the core curriculum prescribed by the central government, the students and graduates of the education system of the autonomous region shall be fully accredited for transfer to the corresponding grade levels in the schools outside the autonomous region.

(5) *Period for integration of Islamic values.* The integration of Islamic values in the curriculum of the Regional Educational Subsystem shall be done over a period of six (6) years from the approval of this Act, as amended, after appropriate researches and studies shall have been conducted, evaluated and approved by the regional education authorities;

(6) *Primary responsibility for learning aids and instructional materials.* The regional government shall have the primary responsibility to provide learning aids and instructional materials to the schools in the autonomous region in addition to those already prescribed by the central government;

(7) *Responsibility for selection, recruitment, appointment, promotion and civil service protection of teachers and non-teaching personnel.* (a) The selection, recruitment, appointment and promotion of teaching and non-teaching personnel of the Regional Educational Subsystem shall be the responsibility of the regional government. The teaching and non-teaching personnel of the Regional School System who have appropriate civil service eligibility may not be replaced, removed or dismissed without just cause.

(b) The regional government may impose its regionally-defined standards for the employment of teaching and non-teaching personnel in its school system which, however, shall not be lower than the standards of the department of education, culture and sports.

(c) In the selection, recruitment, appointment and promotion of elementary, secondary and tertiary education teaching and non-teaching personnel, the minimum requirements and standards prescribed by the department of education, culture and

1 sports, the commission on higher education and the technical education and skills
2 development authority shall be observed by the regional educational subsystem; and

3 (8) *Preservation of culture, mores, customs & traditions.* The culture, mores,
4 customs and traditions of the Muslim people and those of the Christians and indigenous
5 people, shall be preserved, respected, enhanced and developed.

6 (9) *Schools to preserve, enhance & develop cultures, mores, customs &*
7 *traditions.* The regular public and Madaris schools in the autonomous region shall be
8 the primary vehicles for the preservation, enhancement and development of the said
9 cultures, mores, customs and traditions.

10 **SEC. 3. *Regional Educational Curricula.*** - The regional department of
11 education, culture and sports shall develop curricula that are relevant to the economic,
12 social, political, cultural, moral and spiritual needs of the people in the autonomous
13 region.

14 **SEC. 4. *Education, Management and Control Of Education.*** - The
15 management, control, and supervision of the regional educational subsystem shall be
16 the primary concern of the regional government.

17 The department of education, culture and sports, the commission on higher
18 education, and the technical education skills development authority and other
19 appropriate educational bodies of the central government shall monitor compliance by
20 the regional educational subsystem with national educational policies, standards and
21 regulations. The department of education, culture and sports, commission on higher
22 education, and the technical education skills development authority of the regional
23 government shall participate in policy and decision-making activities of their
24 counterparts of the central government in matters that affect the regional educational
25 subsystem.

Educational Structure

SEC. 5. The regional assembly may, by law, create, support and maintain a regional department of education, culture and sports, and shall define its powers, functions and composition.

SEC. 6. *Private Schools Supervision.* - (a) The regional department of education, culture and sports shall be responsible for the supervision and regulation of private schools.

(b) Private schools, including sectarian and non-sectarian institutions of learning of whatever level, may organize themselves and shall have the right to participate and be represented by three representatives in the deliberations of the regional department of education, culture and sports on matters dealing with private schools.

(c) The representatives of the private schools to the regional department of education, culture and sports shall act for the sectarian Christian schools, non-sectarian schools and the schools of the *Iumads*, if any.

(d) The right of sectarian educational institutions to propagate their religious beliefs shall not be curtailed. The Regional Educational Subsystem shall not discriminate against the sectarian educational institutions in any manner or form.

SEC. 7. *Educational Subsystem Structure.* - The organizational structure of the Regional Educational Subsystem shall follow the basic structure of the educational system of the central government. The regional assembly may, however, create its own structures. It shall prescribe the same curricular years as those prescribed nationally.

SEC. 8. *Academic Freedom and Fiscal Autonomy.* - State colleges and universities within the autonomous region shall enjoy academic freedom and fiscal autonomy and shall continue to be governed by their respective charters as modified by this Act, as amended. The provisions of existing laws to the contrary notwithstanding, the regional government shall be represented in the board of state universities and colleges in the region by the chair of the committee on education, culture and sports of the regional assembly either as co-chairman or co-vice chairman.

SEC. 9. *Education Centers.* - All state colleges and universities in the autonomous region shall serve as regional centers for tertiary and post graduate education in their respective areas of competence.

SEC. 10. Tribal University System. - The regional assembly may create a tribal university system within the autonomous region to address the higher educational needs of the indigenous cultural communities in the region.

Madrasah Education

SEC. 11. Supervision of Madaris Schools. - Accredited madaris in the autonomous region shall be supervised by the regional department of education, culture and sports in accordance with the principles of the constitution and this organic act, as amended.

SEC. 12. Madrasah Educational System; Arabic as Medium of Instruction. - The regional assembly shall enact legislation for the strengthening and development of the Madrasah Educational System in the autonomous region.

Arabic is hereby recognized as a medium of instruction in *madaris* (schools) and other Islamic Institutions.

SEC. 13. Madaris. - Existing *madaris* and *madaris ulya* are deemed parts of the Regional Educational Subsystem.

SEC. 14. Madaris Teachers Qualifying Examinations; Compensation. - The regional department of education, culture and sports shall, in coordination with the regional commission on higher education, conduct periodic competitive qualifying examinations of *madaris* teachers for permanent appointments to the Regional Educational Subsystem.

The compensation of *madaris* teachers employed in the public schools of the autonomous region shall be taken from the funds of the regional government.

Science and Technology

SEC. 15. Science and Technology. - Science and Technology are recognized as essential to national and regional progress and development.

SEC. 16. Priority Legislation. - The regional assembly shall enact laws that shall:

(a) Give priority to science, research, inventions, technology, education, and their development and utilization;

(b) Provide incentives, including tax deduction and funding assistance, and encourage the participation of the private sector in basic and applied scientific researches;

(c) Regulate the transfer and promote the adoption of technology from all sources for regional benefit;

(d) Secure and protect the exclusive rights of scientists, inventors, scholars, writers, artists and other gifted citizens to their intellectual properties; and

(e) Ensure the full and effective participation of all sectors in the planning, programming, coordination and implementation of scientific and technological researches and the acquisition, adoption, innovation and application of science and technology for development.

SEC. 17. *Environmental Changes.* - The Regional Educational Subsystem shall endeavor to respond positively and effectively to the climatic changes affecting the environment. It shall monitor and evaluate ecological developments affecting the region and develop appropriate plans to meet ecological situations. To this end, it may establish linkages with appropriate domestic and international institutions.

SEC. 18. *Non-Formal Education.* - The regional department of education, culture and sports shall institutionalize non-formal education in scope and methodology, to include literacy, numeracy and intensive skills training of the youth and adults.

Scholarship Grants and Assistance

SEC. 19. *Donations to Universities, Colleges and Schools.* - Public or private universities, colleges and schools in the autonomous region may seek and receive local or foreign donations for educational purposes. Donors to public or private universities, colleges and schools may deduct the amount of the donation from their taxable income due to the government.

SEC. 20. *Scholarship Programs.* - The regional government shall provide scholarships to qualified poor but deserving students in all levels of education. To this end, the regional government shall devote, at least, fifteen percent (15%) of its regular budget for education to support scholarships and shall endeavor to augment the funds for scholarships from other sources of revenue, public or private.

1 The regional government shall administer the scholarship programs of the
2 commission on higher education and the technical education and skills development
3 authority scholarship programs, both local and foreign within the region. The
4 administrative and other details of this transfer of authority to administer the scholarship
5 programs shall be done within six (6) months from the approval of this Act.

6 **SEC. 21. *Financial Assistance for Disadvantaged, Deserving Students.*** - The
7 regional government shall provide financial assistance to disadvantaged but deserving
8 students from any funds including those provided by the central government for that
9 purpose.

10 ***Funds for Education***

11 **SEC. 22. *Release of Education Funds.*** - Educational funds for the regional
12 government allocated by the central government in the General Appropriations Act shall
13 be released directly to the treasurer of the regional government.

14 ***Physical Education and Sports Development***

15 **SEC. 23. *Physical Education and Sports Development.*** - The Regional
16 Educational Subsystem shall develop and maintain an integrated and comprehensive
17 physical education program. It shall develop healthy, disciplined, creative, innovative,
18 productive individuals, and promote the spirit of sportsmanship, cooperation, teamwork,
19 goodwill and understanding.

20 **SEC. 24. *Sports Programs.*** - The Regional Educational Subsystem shall
21 encourage and support sports programs, league competitions, indigenous games,
22 martial arts and amateur sports, including training for regional, national and international
23 competitions.

24 ***Cultural Heritage***

25 **SEC. 25. *Cultural Heritage.*** - The cultural heritage of the people of the
26 autonomous region shall be an integral component of regional development.

27 **SEC. 26. *Protection and Promotion of Culture.*** - The regional government shall
28 recognize, respect, protect, preserve, revive, develop, promote and enhance the
29 culture, customs, traditions, beliefs and practices of the people of the autonomous
30 region. It shall encourage and undertake the recovery, collection, collation and
31 restoration or historical and cultural properties for posterity.

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SEC. 4. The regional assembly shall, within one (1) year from its organization, enact measures embodying re-integration programs responsive to the needs of former rebels who return to the fold of the law. A rehabilitation program shall be provided for displaced persons or communities that are victims of man-made or natural calamities.

SEC. 5. *Family as Nation's Foundation.* - The regional government recognizes the Filipino family as the foundation of the nation. It shall strengthen its solidarity and actively promote its total development.

SEC. 6. *Women Rights.* - The regional government recognizes the role of women in nation building and regional development. It shall promote their well-being and ensure their fundamental rights and equality with men.

The regional government shall take appropriate measures against all forms of exploitation of and discrimination against women.

It shall ensure the representation of women in appropriate decision and policy-making bodies.

SEC. 7. *Youth.* - The regional government recognizes the vital role of the youth in nation building.

The regional assembly may, by law, create the Office of Youth Affairs and define its powers, functions and composition.

SEC. 8. *People's Organization.* - The regional government shall protect and promote the rights of people's organizations.

SEC. 9. *Protection Of Labor.* - The regional government recognizes labor as a primary social economic force for development. It shall afford full protection to labor, promote full employment, ensure equal work opportunities regardless of sex, race or creed, and regulate the relations between workers and employers.

The regional government shall ensure the right of labor to its just share in the fruits of production, and the right of enterprise to reasonable returns on investments and to expansion and growth.

ARTICLE XVII

General Provisions

SEC. 1. The regional assembly is hereby empowered to pass a law adopting an official regional emblem, seal and hymn. The regional emblem and seal

1 shall be displayed along with the national emblem and seal. The regional hymn shall be
2 sung in after the national anthem in official proceedings at the discretion of the
3 government officials in the autonomous region.

4 **SEC. 2. *Disciplinary Authority Over Officials and Employees.*** - The regional
5 government shall have primary disciplinary authority over officials and employees of the
6 regional government. In the exercise of that authority, the regional government shall
7 apply the Civil Service Law, rules and regulations of the central government until the
8 regional assembly shall have enacted a Regional Civil Service Law.

9 The Regional Civil Service Law shall govern the conduct of the civil servants, the
10 qualifications for non-elective positions and the protection of civil service eligibles in
11 various government positions in the autonomous region.

12 **SEC. 3. *Oath Of Office.*** All public officers and employees, as well as members
13 of the Regional Police Force and the military establishment, shall be required to take an
14 oath of allegiance to the republic of the Philippines, to support and defend the
15 constitution and this organic act, as amended, renounce the use of violence and commit
16 themselves to democratic means in the pursuit of their ideals and aspirations.

17 **SEC. 4. *Civil Service Eligibility.*** Until the regional assembly shall have enacted
18 a Civil Service Law, the civil service eligibilities required by the central government for
19 appointments to public positions shall likewise be required for appointments to
20 government positions in the regional government. As may be necessary, the Civil
21 Service Commission shall hold special civil service examinations in the autonomous
22 region. For a period not longer more than six (6) years from the approval of this Act, the
23 central government shall endeavor to provide appropriate civil service eligibility to
24 applicants coming from the autonomous region for government positions therein. The
25 minimum qualifications prescribed by law shall, however, be met.

26 **SEC. 5. *Prohibition Against Employment of Military Personnel in Civil Service.*** -
27 No member of the Armed Forces in the active service shall, at any time, be appointed or
28 designated in any capacity to a civilian position in the regional government, including
29 government-owned-or-controlled corporations, or in any of their subsidiaries or
30 instrumentalities within the autonomous region.

organic act, as amended, shall be officially promulgated in Filipino, English and Arabic and translated into the dialects widely spoken in the autonomous region. In case of conflict, the English text shall prevail.

ARTICLE XVIII

Amendments or Provisions

SEC. 1. Consistent with the provisions of the constitution, this organic act, as amended, may be reamended or revised by the congress of the Philippines upon a vote of two-thirds of the members of the House of Representatives and of the Senate voting separately.

SEC. 2. The regional assembly shall have the power to initiate proposals for amendment to or revisions of this organic act, as amended, by a vote of three-fourths (3/4) of all its members or it may call for a Regional Consultative Commission to propose the amendment or revision. In any case, the amendment or revision shall require the approval of the congress of the Philippines by a vote of two-thirds of the members of the House and of the Senate voting separately.

SEC. 3. Any amendment to or revision of this organic act, as amended, shall become effective only when approved by a majority of the vote cast in a plebiscite called for the purpose, which shall be held not earlier than sixty (60) days or later than ninety (90) days after the approval of such amendment or revision.

ARTICLE XIX

Transitory Provisions

SEC. 1. (a) The existing *Sangguniang Pampook* and the *Lupong Tagapagpaganap ng Pook* of Regions IX and XII shall be deemed abolished and the members thereof considered as having ceased in office upon the election and qualification of their successors as provided in this Act.

(b) All regular and permanent personnel of the *Sangguniang Pampook* and *Lupong Tagapagpaganap ng Pook* of Regions IX and XII shall continue to hold office unless they are replaced by the regional government within six (6) months from the organization thereof; otherwise, they shall be considered regular and permanent employees of the regional government.

1 Nothing in this organic act, as amended, however, shall derogate from any right
2 or privilege enjoyed by any public official or employee under existing laws. Retiring
3 employees shall be given full benefits under existing laws. Those who opt to transfer to
4 another region shall be allowed, subject to the Civil Service laws and regulations.

5 (c) *Disposition of certain real properties of the autonomous region.* The land
6 and permanent buildings or structures owned, controlled, administered or in the
7 possession of the regional government of the Muslim autonomous region in Mindanao,
8 including those formerly owned, held, administered or controlled by the defunct
9 autonomous governments in Regions IX and XII located in provinces and cities which
10 do not vote favorably for the inclusion of their respective areas in the Muslim
11 autonomous region in Mindanao as provided by this Act, as amended, shall be
12 purchased by the central government at a price agreed upon by the central government
13 and the regional government within six (6) months from the date of the holding of the
14 plebiscite mandated by this Act.

15 If no agreement is arrived at within the period mentioned above, the purchase
16 price of the said properties shall be determined by the oversight committee as provided
17 for in section 3 of Article XIX of this Act, within three (3) months from the end of the six
18 month period mentioned above. The executive secretary of the office of the President
19 shall immediately inform the committee of the failure of the central government and the
20 regional government to agree on the purchase price.

21 Unless the price determined by the oversight committee is contested by either
22 party within sixty (60) days from the determination thereof by an action filed with the
23 proper court, the sale shall be perfected forthwith and legal title to the said properties
24 shall be registered in the name of the Central government. The central government
25 may, thereafter, dispose of the properties for value in favor of any province, city or
26 municipality interested in them. The proceeds, thereof, shall be remitted forthwith to the
27 regional government to fund the acquisition of suitable sites for and construction of its
28 regional offices.

29 **SEC. 2. *Personnel Absorbed By Regional Government.*** - All personnel of the
30 central government and of government-owned-or-controlled corporations who are

absorbed by the regional government shall retain their seniority rights, compensation levels and other benefits.

SEC. 3. Oversight Committee. - Within one (1) month from the approval of this Act, as amended, an oversight committee composed of (a) the executive secretary as chairman, (b) the secretary of budget and management, (c) the regional governor of the autonomous region, (d) the speaker of the regional assembly, (e) the chair of the senate committee on local government and (f) one other senator designated by the senate president and (g) the chair of the house committee on local government and (h) one other representative representing a congressional district in the Muslim autonomous region in Mindanao designated by the speaker of the house of representatives, as members, shall be organized for the purpose of supervising the transfer to the autonomous region of such powers and functions vested in it by this Act, and the appropriations of the offices or agencies, including the transfer of properties, assets and liabilities, and such personnel as may be necessary; and of identifying the other line agencies and government-owned-or-controlled corporations that may be absorbed by the regional government and, with respect to the latter, also the terms and conditions of their turnover.

Within six (6) months after its organization as ordained by this Act, the oversight committee shall submit its report and recommendations to the President of the Philippines who shall act on the report and recommendations within ninety (90) days after receiving it. If the President fails to act within said period, the recommendations of the oversight committee shall be deemed approved.

SEC. 4. Agencies and Offices Transferred to the Autonomous Region. - Upon the election of the officials of the regional government, as mandated by this Act, the line agencies and offices of the central government dealing with Local Government, Social Services, Science and Technology, Labor, Natural Resources, and Tourism, including their personnel, equipment, properties and budgets, shall be immediately placed under the control and supervision of the regional government.

Other central government offices and agencies in the autonomous region which are not excluded under paragraph (9), Section 2, Article V of this organic act, as amended, together with their personnel, equipment, properties and budgets, shall be

1 placed under the control and supervision of the regional government pursuant to a
2 schedule prescribed by the oversight committee mentioned in Section 3, Article XIX of
3 this organic act, as amended. The transfer of these offices and agencies and their
4 personnel, equipment, properties and budgets shall be accomplished within six (6)
5 years from the re-organization of the regional government.

6 The central government shall continue to provide such levels of expenditures as
7 may be necessary to enable the regional government to carry out the functions
8 devolved under this Act. The annual budgetary support shall, as soon as practicable,
9 terminate for the line agencies or offices devolved to the regional government.

10 **SEC. 5.** Notwithstanding the provisions of the preceding section, the
11 Government Service Insurance System, the Social Security System, the *Pagtutulungan-*
12 *Ikaw, Bangko, Industriya't Gobyerno (PAG-IBIG)* and other funds of similar trust or
13 fiduciary nature shall be exempt from the coverage of this organic act, as amended.

14 **SEC. 6. Budgetary Law, Rules and Regulations.** - Pending the enactment of a
15 regional budgetary law, the budgeting process of the regional government shall be
16 governed by pertinent rules and regulations prescribed by the department of budget and
17 management.

18 **SEC. 7. First Regular Elections.** - The first regular elections of the regional
19 governor, regional vice governor and members of the regional assembly under this
20 organic act, as amended, shall be held not earlier than sixty (60) days or later than
21 ninety (90) days after the ratification of this Act, as amended. The commission on
22 elections shall promulgate such rules and regulations as may be necessary for the
23 conduct of said election.

24 **SEC. 8.** Within one (1) year from its organization, the regional assembly shall,
25 by law, create a code commission on Muslim and a code commission on tribal laws.
26 Each code commission shall have three (3) members. The code commissions shall
27 codify tribal laws and Islamic laws and jurisprudence within three (3) years from their
28 creation and submit the same to the regional assembly for enactment into law.

29 The chairs and commissioners of the code commissions shall be entitled to
30 reasonable per diems for the work.

SEC. 9. *Initial Funds for the Regional Government.* The sum of Fifteen million pesos (P15,000,000.00), which shall be charged against the Contingent Fund of the President, is hereby appropriated for the initial organizational requirements of the regional government. Any deficiency shall be taken from savings of the central government. An amount not exceeding ten million pesos (P10,000,000.00) thereof shall be allotted to the commission on elections to undertake an information campaign on this organic act, as amended. The commission on elections shall determine the manner of campaigning and the deputization of government agencies for the purpose. The commission on elections shall adopt measures to ensure the dissemination of the said impartial information campaign.

SEC. 10. *Annual Assistance.* In addition to the regular annual allotment to fund the regular operations of the regional government, such amounts as may be needed to fund the infrastructure projects duly identified, endorsed and approved by the regional planning board as created herein shall be provided by the central government as annual assistance for six (6) years after the approval of this Act, and shall be included in the Annual General Appropriations Act. The annual assistance herein mentioned shall be appropriated and disbursed through a Public Works Act duly enacted by the regional assembly. The national programs and projects in the autonomous region shall continue to be financed by central government funds.

SEC. 11. *Sectoral Representatives.* The sectoral representatives mentioned in Article VII, Section 3 of this Act, shall be chosen by the sectoral groups concerned at sectoral conventions called for the purpose by the commission on elections. The sectoral conventions shall be held within three (3) months after the date of the holding of the simultaneous plebiscites mandated by this Act, as amended.

The Comelec shall formulate the rules and regulations to ensure equitable sectoral representations in the regional assembly. It shall identify and accredit the sectoral organizations, which shall be entitled to sectoral representation in the regional assembly.

The regional assembly shall enact a law for the election of marginalized and under-represented sectors, following the principle of proportional representation, within its first term following the approval of this Act.

1 **SEC. 12. *Plebiscite and Effectivity of this Act, as Amended.*** - This Act, as
2 amended, shall take effect when approved by a majority of the votes cast in the four (4)
3 provinces constituting the present autonomous region in Muslim Mindanao pursuant to
4 Republic Act No. 6734, and in the provinces, cities and municipalities proposed for
5 inclusion in the said autonomous region as mentioned above in the simultaneous
6 plebiscites called for that purpose not earlier than sixty (60) days or later than ninety
7 (90) days after the approval of this Act, as amended.

8 (a) Separate plebiscites shall be held simultaneously with the plebiscite
9 mentioned in paragraph 2 in the Provinces of Basilan, Cotabato, Davao del Sur, Lanao
10 del Norte, Palawan, Sarangani, South Cotabato, Sultan Kudarat, Zamboanga del Norte,
11 and Zamboanga del Sur, and the cities of Cotabato, Dapitan, Dipolog, General Santos,
12 Iligan, Marawi, Pagadian, Puerto Princesa, Zamboanga, and Kidapawan to determine
13 by majority vote cast in every province, city and municipality whether or not the voters
14 approve the inclusion of their respective provinces, cities or municipalities in the
15 autonomous region. Only provinces and cities voting favorably in such plebiscite shall
16 be included in the autonomous region in Muslim Mindanao. Municipalities that vote for
17 their inclusion in the autonomous region shall likewise become members of the
18 autonomous region provided they qualify for conversion as a separate province or
19 provinces pursuant to the provisions of Republic Act No. 7160, the local government
20 code of 1991, or are merged with the province or provinces nearest to them that are
21 already members of the autonomous region as provided in this act.

22 If the majority of the votes cast in the said plebiscite in the four (4) provinces
23 favor the amendments to Republic Act 6734, the amendments will be deemed ratified
24 as far as the said provinces are concerned.

25 **SEC. 13. *Plebiscite Information Campaign.*** - The Commission on Elections
26 shall conduct an information campaign on the plebiscite in every municipality, city and
27 province where the plebiscite is held. Public conferences, assemblies or meetings on
28 dates before the plebiscite day, itself, shall be held to inform the residents thereof
29 regarding the significance and meaning of the plebiscite and to help them to cast their
30 votes intelligently. Free, full and constructive discussion and exchange of views on the
31 issues shall be encouraged. For this purpose, the assistance of persons of known

1 probity and knowledge may be enlisted by the commission on elections, the regional
2 government, the local government units or interested parties to act as speakers or
3 resource persons.

4 **SEC. 14. *Promulgation of Rules; Appropriations for Simultaneous Plebiscites.*** -

5 The Commission on Elections shall within fifteen (15) days from the approval of this Act,
6 as amended, promulgate such rules and regulations as may be necessary to govern the
7 conduct of the plebiscites.

8 The amount necessary for the conduct of the plebiscites shall be charged
9 against any savings of the appropriations of the commission on elections and any
10 deficiency thereof, shall be augmented from the contingent fund.

11 **SEC. 15. *Zone Of Peace & Development.*** The special zone of peace and
12 development in the southern Philippines, the southern Philippines council for peace and
13 development and the consultative assembly created under Executive Order No. 371
14 dated October 2, 1996, are deemed abolished and shall cease to exist as of the date of
15 the approval of this Act, as amended, in the said plebiscites. If this Act, as amended, is
16 rejected in the said plebiscites, the aforementioned bodies shall continue to exist until
17 abolished by law.

18 **SEC. 16. *Separability Clause.*** - The provisions of this Act, as amended, are
19 hereby declared to be separate and in the event one or more of such provisions are
20 held unconstitutional, the validity of other provisions shall not be affected thereby.

21 **SEC. 17. *Repealing Clause.*** - All laws, decrees, orders, rules and regulations,
22 and other issuances or parts thereof, which are inconsistent with this Act, are hereby
23 repealed or modified accordingly.

24 **SEC. 18. *Effectivity Clause.*** - This Act, as amended, shall take effect after
25 fifteen (15) days following its complete publication in at least two (2) national
26 newspapers of general circulation and one (1) local newspaper of general circulation in
27 the autonomous region.

Approved,