



STATEMENT OF THE LEAGUE OF CITIES OF THE PHILIPPINES ON SENATE BILL 1842

The League of Cities of the Philippines is calling for the outright rejection of Senate Bill 1842 which seeks to amend Section 450 the Local Government Code of 1991 by exempting municipalities with locally-generated income of 250million pesos annually from the physical requirements (i.e. population or land area) of conversion because it has no sound basis, it will affect the viability of existing and future cities, and the manner of passing is so unreasonably rushed.

We at the League of Cities would like to reiterate our position that we are not against the conversion of a municipality into a city. What we object is the conversion of a municipality that is not yet prepared to become a city. The law sets the fiscal and physical benchmarks to ensure that converting municipalities are ready, viable, and prepared to take on the roles, functions, and responsibilities of a city.

No sound basis. The current statutory requirements for conversion are reasonable, sufficient and generally attainable as evidenced by 143% growth in the number of cities since 1991. Setting the locally-generated income to 250 million pesos has no basis. Amending Section 450 of the Local Government Code as amended by RA 9009 to be more meaningful, should at the minimum, follow the general rule stated on Section 7 of the Local Government Code which clearly states that the conversion of local government units from one level to another shall be based on **VERIFIABLE INDICATORS OF VIABILITY AND PROJECTED CAPACITY TO PROVIDE SERVICES.**

The bill if enacted into law will affect the viability of existing and future cities. Our experience with the conversion of municipalities to cities provided us with enough data to state that the “mad rush” of municipalities converting into cities has negative impact on the resources of cities and greatly affects the cities’ ability to deliver basic services to their constituents. Senate Bill 1842 will open doors for massive conversion because any municipality that does not meet the conversion criteria will only need to file an exemption bill to do so.

Unreasonably rushed. Senate Bill 1842 was not even on the August 1 calendar of the Senate but it was discussed for 2nd reading. Further, it was scheduled for 3rd reading on Monday, 6 August 2018. The League of Cities of the Philippines has been attending Committee Hearings in both Houses of Congress and consistently manifesting its objection to the bill because it fails to provide a compelling reason to justify the exemption from the physical requirements of conversion.

Senate Bill 1842 is circuiting the process of conversion through an exemption. Current cities have gone through the complete process of complying with the requisites of conversion. The spirit and the logic behind the creation of local government units must be respected.

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