



HOUSE OF REPRESENTATIVES

H. No. 8520

BY REPRESENTATIVES MARIANO-HERNANDEZ, SAGARBARRIA, FORTES, GATCHALIAN, NOGRALES (M.), TAMBUNTING, KHO (R.), KHO (O.), ALVAREZ (M.), ACHARON, FRESNEDI, MORDEN, CRUZ (R.), ROQUE, PANALIGAN, BERNOS, SOLON, ADVINCULA, PADUANO, UNGAB, RAMA, PLEYTO, ORDANES, GOMEZ, GUINTU, DALOG, PEÑA, TANCHAY, TAN (J.), GARCIA (D.), TARRIELA, GARDIOLA, GO (M.), RODRIGUEZ (E.), YULO, LIMKAICHONG, PLAZA, MARAÑON, GASATAYA, RIVERA, VALMAYOR, MATIBAG, GUTIERREZ, BENITEZ, HERNANDEZ AND DALIPE, PER COMMITTEE REPORT NO. 686

AN ACT

CREATING MANDATORY POSITIONS FOR A HUMAN RESOURCE MANAGEMENT OFFICER FOR MUNICIPALITIES, CITIES, AND PROVINCES, AND A BUSINESS PERMIT AND LICENSING OFFICER FOR MUNICIPALITIES AND CITIES, PRESCRIBING THEIR QUALIFICATIONS AND DEFINING THEIR POWERS AND DUTIES, AMENDING FOR THE PURPOSE SECTIONS 443, 454, AND 463 OF REPUBLIC ACT NO. 7160, AS AMENDED, OTHERWISE KNOWN AS THE LOCAL GOVERNMENT CODE OF 1991

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

1 SECTION 1. Section 443 of Republic Act No. 7160, as amended, otherwise known as
2 the Local Government Code of 1991 is hereby amended to read as follows:

3 “SECTION 443. *Officials of the Municipal Government.* – (a) There shall be
4 in each municipality a municipal mayor, a municipal vice-mayor, Sangguniang
5 Bayan members, a secretary to the Sangguniang Bayan, a municipal treasurer, a
6 municipal assessor, a municipal accountant, a municipal budget officer, a municipal
7 planning and development coordinator, a municipal engineer/building official, a
8 municipal health officer, [and] a municipal civil registrar [.] A MUNICIPAL
9 HUMAN RESOURCE MANAGEMENT OFFICER, AND A MUNICIPAL
10 BUSINESS PERMIT AND LICENSING OFFICER. A MUNICIPAL
11 COOPERATIVES DEVELOPMENT OFFICER (CDO) SHALL ALSO BE
12 APPOINTED: *PROVIDED*, THAT THE MUNICIPALITY HAS THE
13 OPTION TO APPOINT A FULL FLEDGED COOPERATIVES
14 DEVELOPMENT OFFICER OR MERGE SUCH POSITION TO AN
15 EXISTING POSITION OR OFFICIAL IN A RELATED OFFICE, OR UNIT
16 OR DEPARTMENT IN THE MUNICIPAL GOVERNMENT: *PROVIDED*,
17 *FURTHER*, THAT IF THE MUNICIPALITY SHALL APPOINT A FULL

1 FLEDGED COOPERATIVES DEVELOPMENT OFFICER, THE
2 MUNICIPALITY HAS THE OPTION TO SET THE RANK,
3 REMUNERATION AND OTHER EMOLUMENTS OF THE MUNICIPAL
4 COOPERATIVES DEVELOPMENT OFFICER SUBJECT TO EXISTING
5 LAWS, RULES AND REGULATIONS.

6 x x x.”

7 SEC. 2. Section 454 of the Local Government Code of 1991, as amended, is hereby
8 further amended to read as follows:

9 “SECTION. 454. *Officials of the City Government.* – (a) There shall be in
10 each city a mayor, a vice-mayor, Sangguniang Panlungsod members, a
11 secretary to the Sangguniang Panlungsod, a city treasurer, a city assessor, a city
12 accountant, a city budget officer, a city planning and development coordinator, a city
13 engineer, a city health officer, a city civil registrar, a city administrator, a city legal
14 officer, a city veterinarian, a city social welfare and development officer, [and] a city
15 general services officer[.], **A CITY HUMAN RESOURCE MANAGEMENT
16 OFFICER, AND A CITY BUSINESS PERMIT AND LICENSING OFFICER.
17 A CITY COOPERATIVES DEVELOPMENT OFFICER SHALL ALSO BE
18 APPOINTED: PROVIDED, THAT THE CITY HAS THE OPTION TO
19 APPOINT A FULL FLEDGED COOPERATIVES DEVELOPMENT
20 OFFICER OR MERGE SUCH POSITION TO AN EXISTING POSITION
21 OR OFFICIAL IN A RELATED OFFICE, OR UNIT OR DEPARTMENT IN
22 THE CITY GOVERNMENT: PROVIDED, FURTHER, THAT IF THE CITY
23 SHALL APPOINT A FULL FLEDGED COOPERATIVES DEVELOPMENT
24 OFFICER, THE CITY HAS THE OPTION TO SET THE RANK,
25 REMUNERATION AND OTHER EMOLUMENTS OF THE CITY
26 COOPERATIVES DEVELOPMENT OFFICER SUBJECT TO EXISTING
27 LAWS, RULES AND REGULATIONS.**

28 x x x.”

29 SEC. 3. Section 463 of the Local Government Code of 1991, as amended, is hereby
30 further amended to read as follows:

31 “SECTION. 463. *Officials of the Provincial Government.* – (a) There shall be
32 in each province a governor, a vice-governor, members of the Sangguniang
33 Panlalawigan, a Secretary to the Sangguniang Panlalawigan, a provincial treasurer, a
34 provincial assessor, a provincial accountant, a provincial engineer, a provincial
35 budget officer, a provincial planning and development coordinator, a provincial
36 legal officer, a provincial administrator, a provincial health officer, a provincial
37 social welfare and development officer, a provincial general services officer, a
38 provincial agriculturist, [and] a provincial veterinarian, [.] **AND A PROVINCIAL
39 HUMAN RESOURCE MANAGEMENT OFFICER. A PROVINCIAL
40 COOPERATIVES DEVELOPMENT OFFICER SHALL ALSO BE
41 APPOINTED: PROVIDED, THAT THE PROVINCE, IN THE
42 APPOINTMENT OF A FULL FLEDGED COOPERATIVES
43 DEVELOPMENT OFFICER, SHALL SET THE RANK, REMUNERATION
44**

1 AND OTHER EMOLUMENTS OF THE PROVINCIAL COOPERATIVES
2 DEVELOPMENT OFFICER SUBJECT TO EXISTING LAWS, RULES AND
3 REGULATIONS.

4 X X X.”

5 SEC. 4. New sections to be denominated as Section 490-A, Article XXI and Section 490-
6 B, Article XXII, are hereby inserted between Title V and Title VI after Section 490, Article XX,
7 of the Local Government Code of 1991, as amended, to read as follows:

8 “ARTICLE XXI
9 THE HUMAN RESOURCE MANAGEMENT OFFICER

10
11 “SEC. 490-A. *APPOINTMENT, QUALIFICATIONS, POWERS, AND*
12 *DUTIES.* – (A) NO PERSON SHALL BE APPOINTED AS HUMAN
13 RESOURCE MANAGEMENT OFFICER UNLESS SUCH PERSON IS A
14 CITIZEN OF THE PHILIPPINES, A RESIDENT OF THE MUNICIPALITY,
15 CITY, OR PROVINCE, AS THE CASE MAY BE, OF GOOD MORAL
16 CHARACTER, A HOLDER OF A COLLEGE DEGREE PREFERABLY IN
17 PSYCHOLOGY, PUBLIC ADMINISTRATION, OR LAW FROM A
18 RECOGNIZED COLLEGE OR UNIVERSITY, A FIRST-GRADE CIVIL
19 SERVICE ELIGIBLE OR ITS EQUIVALENT, AND MUST HAVE
20 ACQUIRED EXPERIENCE IN HUMAN RESOURCE MANAGEMENT OR
21 ORGANIZATIONAL DEVELOPMENT FOR AT LEAST FIVE (5) YEARS IN
22 THE CASE OF THE PROVINCIAL OR CITY HUMAN RESOURCE
23 MANAGEMENT OFFICER, AND THREE (3) YEARS IN THE CASE OF
24 THE MUNICIPAL RESOURCE MANAGEMENT OFFICER,
25 IMMEDIATELY PRECEDING THE DATE OF APPOINTMENT.
26

27 THE HUMAN RESOURCE MANAGEMENT OFFICER SHALL BE
28 APPOINTED BY THE CHAIRPERSON OF THE CIVIL SERVICE
29 COMMISSION (CSC) FROM THE LIST OF AT LEAST THREE (3)
30 RANKING ELIGIBLE RECOMMENDEES OF THE GOVERNOR OR
31 MAYOR, AS THE CASE MAY BE, SUBJECT TO CIVIL SERVICE LAW,
32 RULES AND REGULATIONS. SUCH APPOINTMENT SHALL NOT BE
33 SUBJECT TO CONCURRENCE OF THE SANGGUNIAN CONCERNED.

34 THE APPOINTMENT OF A HUMAN RESOURCE MANAGEMENT
35 OFFICER SHALL BE MANDATORY FOR PROVINCIAL, CITY, AND
36 MUNICIPAL GOVERNMENTS: *PROVIDED, HOWEVER,* THAT THE
37 ESTABLISHMENT OF A HUMAN RESOURCE MANAGEMENT OFFICE
38 SHALL BE OPTIONAL IN FOURTH TO SIXTH CLASS MUNICIPALITIES.

39 (B) THE HUMAN RESOURCE MANAGEMENT OFFICER SHALL BE
40 UNDER THE ADMINISTRATIVE SUPERVISION OF THE GOVERNOR
41 OR MAYOR, AS THE CASE MAY BE.

1 (C) THE HUMAN RESOURCE MANAGEMENT OFFICER SHALL
2 REPORT ON MATTERS PERTAINING TO PERSONNEL MANAGEMENT
3 PROCESSES, WHICH INCLUDE RECRUITMENT AND SELECTION OF
4 PERSONNEL, CAREER DEVELOPMENT, PERFORMANCE
5 MANAGEMENT, WELFARE, REWARDS AND INCENTIVES FOR
6 SERVICE EXCELLENCE, RULES AND REGULATIONS ON
7 APPOINTMENTS AND LEAVE BENEFITS.

8 (D) THE HUMAN RESOURCE MANAGEMENT OFFICER SHALL
9 TAKE CHARGE OF THE HUMAN RESOURCE MANAGEMENT OFFICE,
10 AND SHALL:

11 (1) FORMULATE FOR APPROVAL BY THE GOVERNOR OR MAYOR, AS
12 THE CASE MAY BE, A HUMAN RESOURCE DEVELOPMENT PLAN
13 THAT WILL ENHANCE PERSONAL MANAGEMENT PROCESSES IN
14 THE LOCAL GOVERNMENT CONCERNED WITH EMPHASIS IN
15 AREAS OF RECRUITMENT AND SELECTION, CAREER
16 DEVELOPMENT, PERFORMANCE MANAGEMENT, WELFARE,
17 REWARDS, AND INCENTIVES FOR SERVICE EXCELLENCE;
18

19 (2) CREATE AND MAINTAIN A CENTRAL RECORD OF PERSONNEL
20 DEVELOPMENT DOCUMENTS SUCH AS APPOINTMENTS,
21 PERSONNEL DATA SHEETS, SERVICE RECORDS, STATEMENTS OF
22 ASSETS AND LIABILITIES, LEAVE CREDITS, AND OTHER
23 PERSONNEL RECORDS;
24

25 (3) CONDUCT CONTINUING HUMAN RESOURCE DEVELOPMENT
26 PROGRAMS AND OTHER CAPACITY BUILDING INTERVENTIONS
27 TO ENHANCE THE COMPETENCY OF OFFICIALS AND
28 EMPLOYEES;
29

30 (4) MONITOR AND EVALUATE THE IMPLEMENTATION OF
31 PERFORMANCE MANAGEMENT SYSTEMS IN THE LOCAL
32 GOVERNMENT UNIT CONCERNED IN ACCORDANCE WITH CIVIL
33 SERVICE RULES AND REGULATIONS;

34 (5) ADVISE THE GOVERNOR OR MAYOR, AS THE CASE MAY BE, AND
35 THE CONCERNED SANGGUNIAN ON MATTERS PERTAINING TO
36 THE CIVIL SERVICE RULES AND REGULATIONS ON
37 APPOINTMENTS AND LEAVE BENEFITS OF EMPLOYEES;
38

39 (6) ENSURE THAT CIVIL SERVICE LAWS, RULES, AND
40 REGULATIONS AND ITS IMPLEMENTING RULES AND

1 REGULATIONS ON PERSONNEL MATTERS ARE PROPERLY
2 EXECUTED;
3

4 (7) ESTABLISH LINKAGES OR PARTNERSHIPS WITH HUMAN
5 RESOURCE ORGANIZATIONS AND OTHER LOCAL GOVERNMENT
6 UNITS; AND
7

8 (8) PERFORM SUCH OTHER DUTIES AND FUNCTIONS, AND EXERCISE
9 SUCH OTHER POWERS AS MAY BE PRESCRIBED BY LAW OR
10 ORDINANCE.
11

12 "ARTICLE XXII
13 THE BUSINESS PERMIT AND LICENSING OFFICER

14 "SEC. 490-B. *QUALIFICATIONS, POWERS, AND DUTIES.* - (A) NO
15 PERSON SHALL BE APPOINTED BUSINESS PERMIT AND LICENSING
16 OFFICER UNLESS SUCH PERSON IS A CITIZEN OF THE PHILIPPINES,
17 A RESIDENT OF THE CITY OR MUNICIPALITY, AS THE CASE MAY BE,
18 OF GOOD MORAL CHARACTER, A HOLDER OF A COLLEGE DEGREE
19 PREFERABLY IN BUSINESS ADMINISTRATION OR OTHER RELATED
20 COURSE OBTAINED FROM A RECOGNIZED COLLEGE OR
21 UNIVERSITY, A FIRST GRADE CIVIL SERVICE ELIGIBLE OR ITS
22 EQUIVALENT, AND MUST HAVE ACQUIRED EXPERIENCE FOR AT
23 LEAST FIVE (5) YEARS IN BUSINESS MANAGEMENT IMMEDIATELY
24 PRECEDING THE DATE OF APPOINTMENT.

25 THE APPOINTMENT OF A BUSINESS PERMIT AND LICENSING
26 OFFICER SHALL BE MANDATORY FOR CITIES AND
27 MUNICIPALITIES.

28 THE BUSINESS PERMIT AND LICENSING OFFICER SHALL TAKE
29 CHARGE OF THE BUSINESS PERMIT AND LICENSING OFFICE, AND
30 SHALL:

31 (1) PROCESS AND ACT ON ALL APPLICATIONS FOR BUSINESS AND
32 MAYOR'S PERMITS REQUIRED UNDER APPLICABLE LAW,
33 ORDINANCE, RULES AND REGULATIONS, AND LICENSES AS
34 WELL AS OCCUPATIONAL PERMITS, INCLUDING THE
35 ASSESSMENT OF BUSINESS TAXES, FEES, AND CHARGES OF THE
36 VARIOUS BUSINESSES IN THE CITY OR MUNICIPALITY;
37 *PROVIDED, HOWEVER,* THAT ALL ASSESSMENTS ARE SUBJECT
38 TO THE AUTHORITY OF THE LOCAL TREASURER TO CONDUCT
39 EXAMINATION OF BOOKS OF ACCOUNTS AND OTHER
40 AUTHORITIES AS PROVIDED IN THE LOCAL GOVERNMENT
41 CODE OF 1991, AS AMENDED;

1 (2) MONITOR AND ENFORCE THE APPLICABLE TAX ORDINANCES
2 AND OTHER PERTINENT LAWS, ORDINANCES, RULES AND
3 REGULATIONS IN THE OPERATIONS OF BUSINESSES AND
4 OCCUPATIONS WITHIN THE JURISDICTION OF THE CITY OR
5 MUNICIPALITY;
6

7 (3) FORMULATE POLICIES AS A PROACTIVE MEASURE TO DRAW
8 LOCAL AND FOREIGN INVESTMENTS ESPECIALLY IN PRIORITY
9 AREAS/INDUSTRIES AS A TOOL TO DEFINE THE DEVELOPMENT
10 THRUST OF THE CITY OR MUNICIPALITY;
11

12 (4) INITIATE, REVIEW, AND RECOMMEND TO THE MAYOR
13 REVENUE-GENERATING MEASURES TO INCREASE LOCAL
14 REVENUES;
15

16 (5) ENFORCE THE TAX ORDINANCES OF THE MUNICIPALITY OR
17 CITY AND OTHER PERTINENT LAWS, RULES AND REGULATIONS;
18

19 (6) CONDUCT TAX MAPPING AND REGULAR INSPECTION OF ALL
20 BUSINESS ESTABLISHMENTS EXISTING AND OPERATING
21 WITHIN THE TERRITORIAL JURISDICTION OF THE CITY OR
22 MUNICIPALITY;
23

24 (7) ISSUE AND IMPLEMENT NECESSARY NOTICES AND ORDERS TO
25 CONCERNED ESTABLISHMENTS;
26

27 (8) SIT AS A MEMBER OF THE LOCAL FINANCE COMMITTEE, LOCAL
28 INVESTMENT BOARD AND SUCH OTHER BODIES AS THE MAYOR
29 SHALL IDENTIFY; AND

30 (9) PERFORM SUCH OTHER DUTIES AND FUNCTIONS, AND EXERCISE
31 SUCH OTHER POWERS AS MAY BE PRESCRIBED BY LAW OR
32 ORDINANCE.”

33 SEC. 5. Officers and employees of local government units concerned holding permanent
34 positions shall be given preference in the selection and appointment to the positions herein
35 created with those who are eligible and qualified for the position, given priority by the
36 Selection and Promotion Board.

37 No new employees shall be hired until all current qualified employees have been
38 considered and duly appointed. Temporary and casual employees who possess the necessary
39 qualifications and appropriate civil service eligibility for permanent positions shall likewise

1 be given preference in the selection and appointment to positions vacated by those who have
2 been appointed to the newly-created positions.

3 **SEC. 6.** The appropriations for the permanent positions herein created, including other
4 related budget for their respective offices, shall be included in the annual budget of the local
5 government unit concerned of the year following the approval of this Act, and thereafter.

6 **SEC. 7.** This Act shall take effect fifteen (15) days after its publication in the *Official Gazette*
7 or in a newspaper of general circulation.

Approved,