

Title: Rama v. Moises: A Case on the Authority to Appoint Board Members of the Metropolitan Cebu Water District

Facts:

The central issue revolves around the authority to appoint the Board of Directors of the Metropolitan Cebu Water District (MCWD), triggered by the issuance of Presidential Decree No. 198 (Provincial Water Utilities Act of 1973) by President Ferdinand E. Marcos. Pursuant to this Decree, MCWD was established in 1974, encompassing several cities and municipalities within Cebu. Traditionally, from 1974 to 2002, the Mayor of Cebu City appointed all members of the MCWD Board following the decree's stipulation that if more than seventy-five percent of the water service connections were within a city or municipality, the appointing authority would be its mayor. However, in July 2002, the situation took a contentious turn when Cebu Provincial Governor Pablo L. Garcia claimed the appointing authority citing that the active water connections within Cebu City had fallen below the 75% threshold, necessitating his authority as the Provincial Governor to appoint the members of the Board due to the provision in Section 3(b) of P.D. No. 198. This assertion by the Provincial Governor paved the way for a legal dispute over the proper interpretation and validity of Section 3(b) of P.D. No. 198, leading to various legal actions including actions for declaratory relief and a direct complaint to nullify the disputed appointment. The case escalated through different judicial phases, illustrating the complexities surrounding the interpretation of legislative acts and their alignment with constitutional provisions on autonomy and governance at different levels of local government units.

Issues:

1. Whether Section 3(b) of Presidential Decree No. 198 is unconstitutional on the grounds that it violates the local autonomy of cities and municipalities.
2. Whether the appointing authority for the members of the MCWD Board of Directors falls under the jurisdiction of the Mayor of Cebu City or the Governor of the Province of Cebu.
3. Whether the Regional Trial Court committed a grave abuse of discretion in upholding the validity of Section 3(b) of P.D. No. 198 and in its interpretation thereof.

Court's Decision:

The Supreme Court granted the petition for certiorari, finding that:

1. The Regional Trial Court (RTC) erroneously upheld Section 3(b) of P.D. No. 198 without adequately considering its conflict with the constitutional provisions on local autonomy and the specific conditions set forth by the legal framework for local governance, including the

1991 Local Government Code.

2. Section 3(b) of P.D. No. 198 was deemed unconstitutional to the extent that it applied to highly urbanized cities like Cebu City and independent component cities. The Court found it inconsistent with the constitutional guarantee of local autonomy, the 1991 Local Government Code, and also found it violated the Due Process and the Equal Protection Clauses of the 1987 Constitution.

3. The appointment of members of the MCWD Board of Directors shall henceforth be vested in the Mayor of Cebu City, given that Cebu City holds the majority of water service connections, thus more adequately representing the interests and management efficacy of MCWD as aligned with the principle of autonomy and governance.

Doctrine:

The Supreme Court established that legislative or executive acts, even precedential ones like Presidential Decrees, must align with the constitutional provisions that guarantee local autonomy. When a conflict arises, especially involving the appointment powers within local government units and their entities, constitutional mandates on autonomy shall prevail. Furthermore, the principle of local autonomy as enshrined in the Constitution and the Local Government Code serves as a critical consideration in determining the authority and governance within local entities, reinforcing the precedence of constitutional guarantees over earlier statutory provisions.

Class Notes:

- The distinction between “control” and “general supervision” is pivotal in understanding the limits of authority exercised by different levels of government over local government units, emphasizing the constitutional intent to promote local autonomy.
- The decision in *Rama v. Moises* underscores the Supreme Court’s role in balancing the application of laws with constitutional guarantees, especially in the context of local governance and autonomy.
- Legal statutes or provisions, like Presidential Decree No. 198, are subject to the supremacy of the Constitution. Their applicability may be reassessed and invalidated when they conflict with higher constitutional principles or subsequent laws that provide a clearer or updated framework of governance, as seen with the 1991 Local Government Code.

Historical Background:

The case illustrates a significant aspect of Philippine legal and political history, highlighting the tensions and dynamics between local autonomy and central or provincial supervision within the structure of local governance. It further reflects on the era of Presidential

Decrees under martial law and the subsequent shifts towards democratic reinstatement and emphasis on local governance autonomy brought forth by the 1987 Constitution and the Local Government Code of 1991. This legal battle between different levels of local government over appointing authority within a water district underpins the broader narrative of evolving local governance and autonomy in the Philippines.