

Title

****Hon. Michael L. Rama et al. vs. Hon. Gilbert P. Moises et al.****

Facts

In this landmark case, several officials from Cebu City and the Metropolitan Cebu Water District (MCWD) challenged the constitutionality of Section 3(b) of Presidential Decree No. 198. The decree stipulates that the Governor of a province has the authority to appoint the Board of Directors for a local water utility (such as MCWD) if less than 75% of the water district's users are in any one municipality or city. The petitioners argued that this provision improperly limited the power of highly urbanized cities like Cebu City to appoint their representatives on the MCWD Board.

- ****Initial Complaint and RTC Ruling****: The issue first surfaced when certain Cebu City officials sought a legal remedy against the appointment power of the Cebu Province Governor. They filed a civil case, No. CEB-34459, at the Regional Trial Court (RTC), Branch 18, in Cebu City, presided over by Judge Gilbert P. Moises. The RTC ruled against them on November 16, 2010.

- ****Appeal and Decision by the Supreme Court****: Dissatisfied with the RTC's ruling, the petitioners directly filed a special civil action for certiorari and mandamus with the Supreme Court, bypassing the Court of Appeals. The Supreme Court, in a decision dated December 6, 2016, declared Section 3(b) of Presidential Decree No. 198 unconstitutional insofar as it applies to highly urbanized cities like Cebu City. The RTC decision was annulled and set aside.

- ****Motion for Reconsideration****: Respondents filed a motion for reconsideration, claiming that the Supreme Court's decision disregarded the principle of hierarchy of courts and questioning the petitioners' standing to sue.

Issues

1. ****Hierarchy of Courts****: Whether the petitioners erred in directly filing with the Supreme Court instead of the Court of Appeals.
2. ****Locus Standi****: Whether the petitioners had the legal standing to challenge the constitutionality of Section 3(b) of PD 198.
3. ****Constitutionality of Section 3(b) of PD 198****: Whether Section 3(b) of PD 198 was unconstitutional as it applied to highly urbanized cities like Cebu City.

Court's Decision

****Hierarchy of Courts****

The Supreme Court denied the respondents' argument citing the doctrine is not an unyielding rule. The Court identified several exceptions to this principle, including cases involving issues of 'transcendental importance' or those that involve the constitutionality of laws. Thus, the Court exercised its discretionary power to assume jurisdiction over the case due to its exceptional circumstances.

****Locus Standi****

The Supreme Court ruled that the petitioners had standing, referencing previous cases (Imbong v. Ochoa Jr., and Coconut Oil Refiners Association, Inc. v. Torres) where standing requirements were relaxed for issues of paramount importance. The Court found that the petitioners raised serious constitutional questions justifying their right to bring the suit.

****Constitutionality of Section 3(b) of PD 198****

The Supreme Court reaffirmed its earlier decision that Section 3(b) of PD 198 was unconstitutional as it applies to highly urbanized cities. The provision was found to violate the policy of local autonomy enshrined in the 1987 Constitution. The respondents' motion for reconsideration did not present sufficient grounds to overturn the decision.

Doctrine

This case established the doctrine that provisions of a Presidential Decree, particularly those that impinge on local autonomy, may be deemed unconstitutional. It also reiterated that the principle of the hierarchy of courts can be relaxed in cases involving substantial constitutional questions or issues of transcendental importance.

Class Notes

1. ****Hierarchy of Courts****: Exceptions include genuine constitutional issues, issues of transcendental importance, cases of first impression, time-sensitive matters, among others.
2. ****Locus Standi****: Can be relaxed for paramount issues involving serious constitutional questions (Imbong v. Ochoa Jr., Coconut Oil Refiners Association, Inc. v. Torres).
3. ****Local Autonomy****: Reinforced by provisions in the 1987 Constitution, particularly where powers are improperly centralized or withheld from local government units.
4. ****PD 198, Sec. 3(b)****: Unconstitutional as applied to highly urbanized cities due to conflict with local autonomy principles in the Constitution.

Historical Background

This case emerged from the governance structure established during the Marcos regime,

notably through Presidential Decree No. 198 of 1973, which sought to create structured oversight for local water utilities. After the restoration of democratic governance and the adoption of the 1987 Constitution, there was a stronger emphasis on local autonomy. This case reflects ongoing tensions between centralized policy legacies and the principles of autonomy enshrined in newer constitutional frameworks.

This case signifies a crucial development within Philippine jurisprudence, facilitating a shift towards empowering local governmental units and clarifying the jurisdiction of constitutional questions within the Philippine court system.