

HON. RTC JUDGES MERCEDES G. DADOLE (EXECUTIVE JUDGE, BRANCH 28), ULRIC R. CAÑETE (PRESIDING JUDGE, BRANCH 25), AGUSTINE R. VESTIL (PRESIDING JUDGE, BRANCH 56), HON. MTC JUDGES T...

G.R. No. 125350. December 03, 2002

Ponente: CORONA, J.

Read online (full-text search, related cases, audio case brief): <https://batas.org/library/g-r-no-125350/>

CORONA, J.:

Before us is a petition for certiorari under Rule 64 to annul the decision[1] and resolution[2], dated September 21, 1995 and May 28, 1996, respectively, of the respondent Commission on Audit (COA) affirming the notices of the Mandaue City Auditor which diminished the monthly additional allowances received by the petitioner judges of the Regional Trial Court (RTC) and Municipal Trial Court (MTC) stationed in Mandaue City.

The undisputed facts are as follows:

In 1986, the RTC and MTC judges of Mandaue City started receiving monthly allowances of P1,260 each through the yearly appropriation ordinance enacted by the Sangguniang Panlungsod of the said city. In 1991, Mandaue City increased the amount to P1,500 for each judge.

On March 15, 1994, the Department of Budget and Management (DBM) issued the disputed Local Budget Circular No. 55 (LBC 55) which provided that:

“xxx xxx xxx

2.3.2. In the light of the authority granted to the local government units under the Local Government Code to provide for additional allowances and other benefits to national government officials and employees assigned in their locality, such additional allowances in the form of honorarium at rates not exceeding P1,000.00 in provinces and cities and P700.00 in municipalities may be granted subject to the following conditions:

- a) That the grant is not mandatory on the part of the LGUs;
- b) That all contractual and statutory obligations of the LGU including the implementation of R.A. 6758 shall have been fully provided in the budget;
- c) That the budgetary requirements/limitations under Section 324 and 325 of R.A. 7160 should be satisfied and/or complied with; and
- d) That the LGU has fully implemented the devolution of functions/personnel in accordance with R.A. 7160.[3]” (italics supplied)

xxx xxx xxx

The said circular likewise provided for its immediate effectivity without need of publication:

“5.0 EFFECTIVITY

This Circular shall take effect immediately.”

Acting on the DBM directive, the Mandaue City Auditor issued notices of disallowance to herein petitioners, namely, Honorable RTC Judges Mercedes G. Dadole, Ulric R. Cañete, Agustin R. Vestil, Honorable MTC Judges Temistocles M. Boholst, Vicente C. Fanilag and Wilfredo A. Dagatan, in excess of the amount authorized by LBC 55. Beginning October, 1994, the additional monthly allowances of the petitioner judges were reduced to P1,000 each. They were also asked to reimburse the amount they received in excess of P1,000 from April to September, 1994.

The petitioner judges filed with the Office of the City Auditor a protest against the notices of disallowance. But the City Auditor treated the protest as a motion for reconsideration and indorsed the same to the COA Regional Office No. 7. In turn, the COA Regional Office referred the motion to the head office with a recommendation that the same be denied.

On September 21, 1995, respondent COA rendered a decision denying petitioners’ motion for reconsideration. The COA held that:

The issue to be resolved in the instant appeal is whether or not the City Ordinance of Mandaue which provides a higher rate of allowances to the appellant judges may prevail over that fixed by the DBM under Local Budget Circular No. 55 dated March 15, 1994.

xxx xxx xxx

Applying the foregoing doctrine, appropriation ordinance of local government units is subject to the organizational, budgetary and compensation policies of budgetary authorities (COA 5th Ind., dated March 17, 1994 re: Province of Antique; COA letter dated May 17, 1994 re: Request of Hon. Renato Leviste, Cong. 1st Dist. Oriental Mindoro). In this regard, attention is invited to Administrative Order No. 42 issued on March 3, 1993 by the President of the Philippines clarifying the role of DBM in the compensation and classification of local government positions under RA No. 7160 vis-avis the provisions of RA No. 6758 in view of the abolition of the JCLGPA. Section 1 of said Administrative Order provides that:

“Section 1. The Department of Budget and Management as the lead administrator of RA No. 6758 shall, through its Compensation and Position Classification Bureau, continue to have the following responsibilities in connection with the implementation of the Local Government Code of 1991:

- a) Provide guidelines on the classification of local government positions and on the specific rates of pay therefore;
- b) Provide criteria and guidelines for the grant of all allowances and additional forms of compensation to local government employees; xxx.” (underscoring supplied)

To operationalize the aforecited presidential directive, DBM issued LBC No. 55, dated March 15, 1994, whose effectivity clause provides that:

xxx xxx xxx

“5.0 EFFECTIVITY

This Circular shall take effect immediately.”

It is a well-settled rule that implementing rules and regulations promulgated by administrative or executive officer in accordance with, and as authorized by law, has the force and effect of law or partake the nature of a statute (*Victorias Milling Co., Inc., vs. Social Security Commission*, 114 Phil. 555, cited in *Agpalo’s Statutory Construction*, 2nd Ed. P. 16; *Justice Cruz’s Phil. Political Law*, 1984 Ed., p. 103; *Espanol vs. Phil Veterans Administration*, 137 SCRA 314; *Antique Sawmills Inc. vs. Tayco*, 17 SCRA 316).

xxx xxx xxx

There being no statutory basis to grant additional allowance to judges in excess of P1,000.00 chargeable against the local government units where they are stationed, this Commission finds no substantial grounds or cogent reason to disturb the decision of the City Auditor, Mandaue City, disallowing in audit the allowances in question. Accordingly, the above-captioned appeal of the MTC and RTC Judges of Mandaue City, insofar as the same is not covered by Circular Letter No. 91-7, is hereby dismissed for lack of merit.

xxx xxx xxx[4]

On November 27, 1995, Executive Judge Mercedes Gozo-Dadole, for and in behalf of the petitioner judges, filed a motion for reconsideration of the decision of the COA. In a resolution dated May 28, 1996, the COA denied the motion.

Hence, this petition for certiorari by the petitioner judges, submitting the following questions for resolution:

I

HAS THE CITY OF MANDAUE STATUTORY AND CONSTITUTIONAL BASIS TO PROVIDE ADDITIONAL ALLOWANCES AND OTHER BENEFITS TO JUDGES STATIONED IN AND ASSIGNED TO THE CITY?

II

CAN AN ADMINISTRATIVE CIRCULAR OR GUIDELINE SUCH AS LOCAL BUDGET CIRCULAR NO. 55 RENDER INOPERATIVE THE POWER OF THE LEGISLATIVE BODY OF A CITY BY SETTING A LIMIT TO THE EXTENT OF THE EXERCISE OF SUCH POWER?

III

HAS THE COMMISSION ON AUDIT CORRECTLY INTERPRETED LOCAL BUDGET CIRCULAR NO. 55 TO INCLUDE MEMBERS OF THE JUDICIARY IN FIXING THE CEILING OF ADDITIONAL ALLOWANCES AND BENEFITS TO BE PROVIDED TO JUDGES STATIONED IN AND ASSIGNED TO MANDAUE CITY BY THE CITY GOVERNMENT AT P1,000.00 PER MONTH NOTWITHSTANDING THAT THEY HAVE BEEN RECEIVING ALLOWANCES OF P1,500.00 MONTHLY FOR THE PAST FIVE YEARS?

IV

IS LOCAL BUDGET CIRCULAR NO. 55 DATED MARCH 15, 1994 ISSUED BY THE DEPARTMENT OF BUDGET AND MANAGEMENT VALID AND ENFORCEABLE CONSIDERING THAT IT WAS NOT DULY PUBLISHED IN ACCORDANCE WITH LAW?[5]

Petitioner judges argue that LBC 55 is void for infringing on the local autonomy of Mandaue City by dictating a uniform amount that a local government unit can disburse as additional allowances to judges stationed therein. They maintain that said circular is not supported by any law and therefore goes beyond the supervisory powers of the President. They further allege that said circular is void for lack of publication.

On the other hand, the yearly appropriation ordinance providing for additional allowances to judges is allowed by Section 458, par. (a)(1)[xi], of RA 7160, otherwise known as the Local Government Code of 1991, which provides that:

Sec. 458. Powers, Duties, Functions and Compensation. – (a) The sangguniang panlungsod, as the legislative body of the city, shall enact ordinances, approve resolutions and appropriate funds for the general welfare of the city and its inhabitants pursuant to Section 16 of this Code and in the proper exercise of the corporate powers of the city as provided for under Section 22 of this Code, and shall:

(1) Approve ordinances and pass resolutions necessary for an efficient and effective city government, and in this connection, shall:

xxx xxx xxx

(xi) When the finances of the city government allow, provide for additional allowances and other benefits to judges, prosecutors, public elementary and high school teachers, and other national government officials stationed in or assigned to the city; (*italics supplied*)

Instead of filing a comment on behalf of respondent COA, the Solicitor General filed a manifestation supporting the position of the petitioner judges. The Solicitor General argues that (1) DBM only enjoys the power to review and determine whether the disbursements of funds were made in accordance with the ordinance passed by a local government unit while (2) the COA has no more than auditorial visitation powers over local government units pursuant to Section 348 of RA 7160 which provides for the power to inspect at any time the financial accounts of local government units.

Moreover, the Solicitor General opines that “the DBM and the respondent are only authorized under RA 7160 to promulgate a Budget Operations Manual for local government units, to improve and systematize methods, techniques and procedures employed in budget preparation, authorization, execution and accountability” pursuant to Section 354 of RA 7160. The Solicitor General points out that LBC 55 was not exercised under any of the aforementioned provisions.

Respondent COA, on the other hand, insists that the constitutional and statutory authority of a city government to provide allowances to judges stationed therein is not absolute. Congress may set limitations on the exercise of autonomy. It is for the President, through the DBM, to check whether these legislative limitations are being followed by the local government units.

One such law imposing a limitation on a local government unit’s autonomy is Section 458, par. (a) (1) [xi], of RA 7160, which authorizes the disbursement of additional allowances and other benefits to judges subject to the condition that the finances of the city government should allow the same. Thus, DBM is merely enforcing the condition of the law when it sets a uniform maximum amount for the additional allowances that a city government can release to judges stationed therein.

Assuming arguendo that LBC 55 is void, respondent COA maintains that the provisions of the yearly approved ordinance granting additional allowances to judges are still prohibited by the appropriation laws passed by Congress every year. COA argues that Mandaue City gets the funds for the said additional allowances of judges from the Internal Revenue Allotment (IRA). But the General Appropriations Acts of 1994 and 1995 do not mention the disbursement of additional allowances to judges as one of the allowable uses of the IRA. Hence, the provisions of said ordinance granting additional allowances, taken from the IRA, to herein petitioner judges are void for being contrary to law.

To resolve the instant petition, there are two issues that we must address: (1) whether LBC 55 of the DBM is void for going beyond the supervisory powers of the President and for not having been published and (2) whether the yearly appropriation ordinance enacted by the City of Mandaue that provides for additional allowances to judges contravenes the annual appropriation laws enacted by Congress.

We rule in favor of the petitioner judges.

On the first issue, we declare LBC 55 to be null and void.

We recognize that, although our Constitution[6] guarantees autonomy to local government units, the exercise of local autonomy remains subject to the power of control by Congress and the power of supervision by the

President. Section 4 of Article X of the 1987 Philippine Constitution provides that:

Sec. 4. The President of the Philippines shall exercise general supervision over local governments. x x x

In *Pimentel vs. Aguirre*[7], we defined the supervisory power of the President and distinguished it from the power of control exercised by Congress. Thus:

This provision (Section 4 of Article X of the 1987 Philippine Constitution) has been interpreted to exclude the power of control. In *Mondano v. Silvosa*,[i][5] the Court contrasted the President's power of supervision over local government officials with that of his power of control over executive officials of the national government. It was emphasized that the two terms -- supervision and control -- differed in meaning and extent. The Court distinguished them as follows:

"x x x In administrative law, supervision means overseeing or the power or authority of an officer to see that subordinate officers perform their duties. If the latter fail or neglect to fulfill them, the former may take such action or step as prescribed by law to make them perform their duties. Control, on the other hand, means the power of an officer to alter or modify or nullify or set aside what a subordinate officer ha[s] done in the performance of his duties and to substitute the judgment of the former for that of the latter."[ii][6]

In *Taule v. Santos*,[iii][7] we further stated that the Chief Executive wielded no more authority than that of checking whether local governments or their officials were performing their duties as provided by the fundamental law and by statutes. He cannot interfere with local governments, so long as they act within the scope of their authority. "Supervisory power, when contrasted with control, is the power of mere oversight over an inferior body; it does not include any restraining authority over such body,"[iv][8] we said.

In a more recent case, *Drilon v. Lim*,[v][9] the difference between control and supervision was further delineated. Officers in control lay down the rules in the performance or accomplishment of an act. If these rules are not followed, they may, in their discretion, order the act undone or redone by their subordinates or even decide to do it themselves. On the other hand, supervision does not cover such authority. Supervising officials merely see to it that the rules are followed, but they themselves do not lay down such rules, nor do they have the discretion to modify or replace them. If the rules are not observed, they may order the work done or redone, but only to conform to such rules. They may not prescribe their own manner of execution of the act. They have no discretion on this matter except to see to it that the rules are followed.

Under our present system of government, executive power is vested in the President.[vi][10] The members of the Cabinet and other executive officials are merely alter egos. As such, they are subject to the power of control of the President, at whose will and behest they can be removed from office; or their actions and decisions changed, suspended or reversed.[vii][11] In contrast, the heads of political subdivisions are elected by the people. Their sovereign powers emanate from the electorate, to whom they are directly accountable. By constitutional fiat, they are subject to the President's supervision only, not control, so long as their acts are exercised within the sphere of their legitimate powers. By the same token, the President may not withhold or alter any authority or power given them by the Constitution and the law.

Clearly then, the President can only interfere in the affairs and activities of a local government unit if he or she finds that the latter has acted contrary to law. This is the scope of the President's supervisory powers over local government units. Hence, the President or any of his or her alter egos cannot interfere in local affairs as long as the concerned local government unit acts within the parameters of the law and the Constitution. Any directive therefore by the President or any of his or her alter egos seeking to alter the wisdom of a law-conforming judgment on local affairs of a local government unit is a patent nullity because it violates the principle of local autonomy and separation of powers of the executive and legislative departments in governing municipal

corporations.

Does LBC 55 go beyond the law it seeks to implement? Yes.

LBC 55 provides that the additional monthly allowances to be given by a local government unit should not exceed P1,000 in provinces and cities and P700 in municipalities. Section 458, par. (a)(1)(xi), of RA 7160, the law that supposedly serves as the legal basis of LBC 55, allows the grant of additional allowances to judges “when the finances of the city government allow.” The said provision does not authorize setting a definite maximum limit to the additional allowances granted to judges. Thus, we need not belabor the point that the finances of a city government may allow the grant of additional allowances higher than P1,000 if the revenues of the said city government exceed its annual expenditures. Thus, to illustrate, a city government with locally generated annual revenues of P40 million and expenditures of P35 million can afford to grant additional allowances of more than P1,000 each to, say, ten judges inasmuch as the finances of the city can afford it.

Setting a uniform amount for the grant of additional allowances is an inappropriate way of enforcing the criterion found in Section 458, par. (a)(1)(xi), of RA 7160. The DBM over-stepped its power of supervision over local government units by imposing a prohibition that did not correspond with the law it sought to implement. In other words, the prohibitory nature of the circular had no legal basis.

Furthermore, LBC 55 is void on account of its lack of publication, in violation of our ruling in *Tañada vs. Tuvera*[8] where we held that:

xxx. Administrative rules and regulations must also be published if their purpose is to enforce or implement existing law pursuant to a valid delegation.

Interpretative regulations and those merely internal in nature, that is, regulating only the personnel of an administrative agency and the public, need not be published. Neither is publication required of the so-called letters of instruction issued by administrative superiors concerning the rules or guidelines to be followed by their subordinates in the performance of their duties.

Respondent COA claims that publication is not required for LBC 55 inasmuch as it is merely an interpretative regulation applicable to the personnel of an LGU. We disagree. In *De Jesus vs. Commission on Audit*[9] where we dealt with the same issue, this Court declared void, for lack of publication, a DBM circular that disallowed payment of allowances and other additional compensation to government officials and employees. In refuting respondent COA’s argument that said circular was merely an internal regulation, we ruled that:

On the need for publication of subject DBM-CCC No. 10, we rule in the affirmative. Following the doctrine enunciated in *Tañada v. Tuvera*, publication in the Official Gazette or in a newspaper of general circulation in the Philippines is required since DBM-CCC No. 10 is in the nature of an administrative circular the purpose of which is to enforce or implement an existing law. Stated differently, to be effective and enforceable, DBM-CCC No. 10 must go through the requisite publication in the Official Gazette or in a newspaper of general circulation in the Philippines.

In the present case under scrutiny, it is decisively clear that DBM-CCC No. 10, which completely disallows payment of allowances and other additional compensation to government officials and employees, starting November 1, 1989, is not a mere interpretative or internal regulation. It is something more than that. And why not, when it tends to deprive government workers of their allowance and additional compensation sorely needed to keep body and soul together. At the very least, before the said circular under attack may be permitted to substantially reduce their income, the government officials and employees concerned should be apprised and alerted by the publication of subject circular in the Official Gazette or in a newspaper of general circulation in the

Philippines – to the end that they be given amplest opportunity to voice out whatever opposition they may have, and to ventilate their stance on the matter. This approach is more in keeping with democratic precepts and rudiments of fairness and transparency. (emphasis supplied)

In *Philippine International Trading Corporation vs. Commission on Audit*[10], we again declared the same circular as void, for lack of publication, despite the fact that it was re-issued and then submitted for publication. Emphasizing the importance of publication to the effectivity of a regulation, we therein held that:

It has come to our knowledge that DBM-CCC No. 10 has been re-issued in its entirety and submitted for publication in the Official Gazette per letter to the National Printing Office dated March 9, 1999. Would the subsequent publication thereof cure the defect and retroact to the time that the above-mentioned items were disallowed in audit?

The answer is in the negative, precisely for the reason that publication is required as a condition precedent to the effectivity of a law to inform the public of the contents of the law or rules and regulations before their rights and interests are affected by the same. From the time the COA disallowed the expenses in audit up to the filing of herein petition the subject circular remained in legal limbo due to its non-publication. As was stated in *Tañada v. Tuvera*, “prior publication of laws before they become effective cannot be dispensed with, for the reason that it would deny the public knowledge of the laws that are supposed to govern it.”[11]

We now resolve the second issue of whether the yearly appropriation ordinance enacted by Mandaue City providing for fixed allowances for judges contravenes any law and should therefore be struck down as null and void.

According to respondent COA, even if LBC 55 were void, the ordinances enacted by Mandaue City granting additional allowances to the petitioner judges would “still (be) bereft of legal basis for want of a lawful source of funds considering that the IRA cannot be used for such purposes.” Respondent COA showed that Mandaue City’s funds consisted of locally generated revenues and the IRA. From 1989 to 1995, Mandaue City’s yearly expenditures exceeded its locally generated revenues, thus resulting in a deficit. During all those years, it was the IRA that enabled Mandaue City to incur a surplus. Respondent avers that Mandaue City used its IRA to pay for said additional allowances and this violated paragraph 2 of the Special Provisions, page 1060, of RA 7845 (The General Appropriations Act of 1995)[12] and paragraph 3 of the Special Provision, page 1225, of RA 7663 (The General Appropriations Act of 1994)[13] which specifically identified the objects of expenditure of the IRA. Nowhere in said provisions of the two budgetary laws does it say that the IRA can be used for additional allowances of judges. Respondent COA thus argues that the provisions in the ordinance providing for such disbursement are against the law, considering that the grant of the subject allowances is not within the specified use allowed by the aforesaid yearly appropriations acts.

We disagree.

Respondent COA failed to prove that Mandaue City used the IRA to spend for the additional allowances of the judges. There was no evidence submitted by COA showing the breakdown of the expenses of the city government and the funds used for said expenses. All the COA presented were the amounts expended, the locally generated revenues, the deficit, the surplus and the IRA received each year. Aside from these items, no data or figures were presented to show that Mandaue City deducted the subject allowances from the IRA. In other words, just because Mandaue City’s locally generated revenues were not enough to cover its expenditures, this did not mean that the additional allowances of petitioner judges were taken from the IRA and not from the city’s own revenues.

Moreover, the DBM neither conducted a formal review nor ordered a disapproval of Mandaue City’s

appropriation ordinances, in accordance with the procedure outlined by Sections 326 and 327 of RA 7160 which provide that:

Section 326. Review of Appropriation Ordinances of Provinces, Highly Urbanized Cities, Independent Component Cities, and Municipalities within the Metropolitan Manila Area. - The Department of Budget and Management shall review ordinances authorizing the annual or supplemental appropriations of provinces, highly-urbanized cities, independent component cities, and municipalities within the Metropolitan Manila Area in accordance with the immediately succeeding Section.

Section 327. Review of Appropriation Ordinances of Component Cities and Municipalities.- The sangguniang panlalawigan shall review the ordinance authorizing annual or supplemental appropriations of component cities and municipalities in the same manner and within the same period prescribed for the review of other ordinances.

If within ninety (90) days from receipt of copies of such ordinance, the sangguniang panlalawigan takes no action thereon, the same shall be deemed to have been reviewed in accordance with law and shall continue to be in full force and effect. (emphasis supplied)

Within 90 days from receipt of the copies of the appropriation ordinance, the DBM should have taken positive action. Otherwise, such ordinance was deemed to have been properly reviewed and deemed to have taken effect. Inasmuch as, in the instant case, the DBM did not follow the appropriate procedure for reviewing the subject ordinance of Mandaue City and allowed the 90-day period to lapse, it can no longer question the legality of the provisions in the said ordinance granting additional allowances to judges stationed in the said city.

WHEREFORE, the petition is hereby GRANTED, and the assailed decision and resolution, dated September 21, 1995 and May 28, 1996, respectively, of the Commission on Audit are hereby set aside.

No costs.

SO ORDERED.

Davide, Jr., C.J., Bellosillo, Vitug, Mendoza, Panganiban, Quisumbing, Ynares-Santiago, Sandoval-Gutierrez, Carpio, Austria-Martinez, Carpio-Morales, and Callejo, Sr., JJ., concur.

Puno, J., on official business.

Azcuna, J., on leave.

[1] COA Decision No. 95-568; Rollo, pp. 42-47.

[2] COA Decision No. 96-282; Rollo, pp. 48-49.

[3] Rollo, p. 128; Rollo, p. 47.

[4] Rollo, pp. 44-47.

[5] Rollo, p. 24.

[6] Sec. 25, [Art. II]. The State shall ensure the autonomy of local governments.

Sec. 2, [Art. X]. The territorial and political subdivisions shall enjoy local autonomy.

[7] 336 SCRA 201, 214-215 (2000).

[8] 146 SCRA 453, 454 (1986).

[9] 294 SCRA 152, 157-158 (1998).

[10] 309 SCRA 179, 189 (1999).

[11] Id., p. 189.

[12] SPECIAL PROVISIONS

XXX XXX XXX

3. Use of Funds. The amount herein shall, pursuant to Section 17(g) of the Code, provide for the cost of basic services and facilities enumerated under Section 17(b) thereof, particularly those which have been devolved by the Department of Health, the Department of Social Welfare and Development, the Department of Agriculture, and the Department of Environment and Natural Resources as well as other agencies of the national government, including (1) construction/improvement, repair and maintenance of local roads; (2) concrete barangay roads/multi-purpose pavements construction and improvement program to be implemented in accordance with R.A. No. 6763; (3) construction, rehabilitation and improvement of communal irrigation projects/systems; PROVIDED, That each local government unit shall, in accordance with Section 287 of the Code, appropriate in its annual budget no less than twenty percent (20%) of its share from internal revenue allotment for development projects; PROVIDED, FURTHER, That enforcement of the provisions of Sections 325(a) and 331(b) of the Code shall be waived to enable local government units to absorb national government personnel transferred on account of devolution, create the mandatory positions specified in the Code, enable the barangay officials to receive the minimum allowable level of remuneration provided under Section 393 of the Code as well as continue the implementation of the salary standardization authorized under R.A. No. 6758; PROVIDED, FINALLY, That such amounts as may be determined by the Department of Budget and Management corresponding to the requirements of health care and services as devolved to Local Governments Units R.A. No. 7160 shall not be realigned or utilized by LGUs concerned for any other expenditure or purpose.

[13] SPECIAL PROVISIONS

XXX XXX XXX

2. Use of Funds. - The amount herein appropriated shall, pursuant to Section 17(g) of the Code, provide for the cost of basic services and facilities enumerated under Section 17(b) thereof, particularly those devolved by the Department of Health, the Department of Social Welfare and Development, the Department of Agriculture, and the Department of Environment and Natural Resources as well as other agencies of the National Government, including (1) construction/improvement, repair and maintenance of local roads; (2) concrete barangay roads/multi-purpose pavements, construction and improvement program to be implemented in accordance with R.A. No. 6763; (2) construction, rehabilitation and improvement of communal irrigation projects/systems; and (4) payment of not less than fifty percent (50%) of the total requirement for the Magna Carta benefits of devolved health workers pursuant to the provisions of R.A. No. 7305 and such other guidelines that may be issued by the Department of Health for the purpose: PROVIDED, That each local government unit shall, in accordance with Section 287 of the Code, appropriate in its budget no less than twenty percent (20%) of its share from Internal Revenue Allotment for development projects; PROVIDED, FURTHER, That enforcement of the provisions of Sections 325(a) and 331(b) of the Code shall be waived enable local government units to absorb and/or maintain national government personnel transferred on account

of devolution, create the mandatory positions specified in the Code, enable the barangay officials to receive the minimum allowable level of remuneration provided under Section 393 of the Code, as well as continue the implementation of the salary standardization authorized under R.A. No. 6758 and the payment of not less than fifty percent (50%) of the total requirement for the Magna Carta benefits of health workers mandated under R.A. No. 7305 and such other guidelines as may be issued by the Department of Health for the purpose.

ABOUT BATAS.ORG

Study smarter at BATAS.org

The Philippine bar review and law-school companion built around how your brain actually remembers.

The complete Philippine law library - free for everyone.

More than 100,000 Supreme Court decisions, Republic Acts, and executive issuances - full-text searchable, browsable by category and year, and always free. No paywall, no login. This PDF came from it.

Audio case-brief lectures.

Any decision becomes a podcast-style lecture - facts, issues, ruling, and doctrine - with read-along highlighting and a hands-free presentation mode. Study while commuting, working out, or resting your eyes.

Bar review built on the science of memory.

Complete, sequenced courses for all eight bar subjects, narrated like podcasts and reinforced with retrieval practice and spaced review - the study techniques with the strongest evidence behind them.

The full law-school curriculum.

One subscription unlocks the entire J.D. curriculum - every subject, every lesson, with your progress tracked down to the paragraph so you can pick up exactly where you left off, on any device.

Mock exams that tell you where you stand.

Timed multiple-choice exams graded instantly, with per-subject score breakdowns and focus suggestions that point you at your weakest topics first.

A study planner that keeps you on pace.

Set your schedule and BATAS tells you every day whether you are on track for bar day - and exactly which lesson to take next.

Start free at <https://batas.org>

The law library is free forever - and your first lesson is one click away.

The text of this document is an official public record and remains in the public domain. Formatting, presentation, and compilation © 2026 batas.org.

Downloaded free from the batas.org Law Library. Share it freely - the library is free for every law student, bar reviewee, and practitioner.