

**XXXVII. ALLOCATIONS TO LOCAL GOVERNMENT UNITS**

**A. INTERNAL REVENUE ALLOTMENT**

For apportionment of the shares of local government units in the internal revenue taxes in accordance with the purpose indicated hereunder..... P56,594,000,000  
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New Appropriations, by Purpose  
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	<u>Current Operating Expenditures</u>			<u>Total</u>
	<u>Personal Services</u>	<u>Maintenance and Other Operating Expenses</u>	<u>Capital Outlays</u>	
<b>A. PURPOSE</b>				
a. Share in National Revenue		P56,594,000,000		P56,594,000,000
<b>TOTAL, NEW APPROPRIATIONS</b>		P56,594,000,000		P56,594,000,000

**Special Provisions**

1. Allocation and Release of Fund. The amount herein appropriated shall be apportioned among the local government units in accordance with the formula prescribed in Section 285 of R.A. No. 7160, the Local Government Code of 1991, after deducting fifty percent (50%) of the actual cost of devolution and the cost of city-funded hospitals as of December 31, 1992, subject to necessary adjustments as authorized under Section 284 of the Code. The Internal Revenue Allotment shall be released directly by the Department of Budget and Management to the Local Government Units concerned.

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, Department of Social Welfare and Development, 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; and (4) payment of the Magna Carta benefits of devolved health workers pursuant to the provisions of R.A. No. 7305 and other guidelines as 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, FURTHERMORE, That an amount equivalent to twenty percent (20%) of the amount appropriated for development projects shall be set aside for programs and activities that address human and ecological security concerns: PROVIDED, FINALLY, 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 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 the Magna Carta benefits of health workers as provided above.

New Appropriations, by Object of Expenditures  
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(In Thousand Pesos)

A. Purpose

**Current Operating Expenditures**

Maintenance and Other Operating Expenses	
10 Grants, Subsidies and Contributions	56,594,000
Total Maintenance and Other Operating Expenses	56,594,000
<b>TOTAL NEW APPROPRIATIONS</b>	56,594,000

**B. MAGNA CARTA FOR PUBLIC HEALTH WORKERS DEVOLVED TO LOCAL GOVERNMENT UNITS**

For subsidy to local government units for the partial funding of the implementation of the Magna Carta of Public Health Workers authorized under R.A. No. 7305 as indicated hereunder.....P 165,500,000  
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**New Appropriations, by Purpose**  
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<u>Current Operating Expenditures</u>				
	<u>Personal Services</u>	<u>Maintenance and Other Operating Expenses</u>	<u>Capital Outlays</u>	<u>Total</u>

**A. PURPOSE**

- a. For subsidy to local government units for the partial funding requirement for the implementation of the Magna Carta of Public Health Workers authorized under RA 7305

P 165,500,000	P 165,500,000
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**TOTAL, NEW APPROPRIATIONS**

P 165,500,000	P 165,500,000
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**Special Provision**

1. Use and Release of Fund. The amount appropriated herein shall be used for the partial implementation of the Magna Carta of Public Health Workers devolved to Local Government Units and shall be released directly to the local government unit concerned, subject to the guidelines to be issued jointly by the Department of Budget and Management and the Department of Health for the purpose, taking into account the relative financing burden of each local government unit as a result of the devolution mandated under R.A. No. 7160.

**New Appropriations, by Object of Expenditures**  
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(In Thousand Pesos)

**A. Purpose**

**Current Operating Expenditures**

Personal Services

Other Compensation

Magna Carta of Public Health Workers per R.A. 7305	165,500
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Total Other Compensation	165,500
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01 Total Personal Services	165,500
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**TOTAL NEW APPROPRIATIONS**

165,500
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**C. SPECIAL SHARES OF LGUS IN THE PROCEEDS OF NATIONAL TAXES**

For apportionment of the shares of local government units in the proceeds of other national taxes in accordance with the purposes indicated hereunder.....P 1,992,000,000  
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New Appropriations, by Purpose

	<u>Current Operating Expenditures</u>			<u>Total</u>
	<u>Personal Services</u>	<u>Maintenance and Other Operating Expenses</u>	<u>Capital Outlays</u>	
<b>A. PURPOSES</b>				
a. Share in Tobacco Excise Tax pursuant to RA 7171	P 1,429,000,000			P 1,429,000,000
b. Share in the Utilization and Development of National Wealth Mandated under RA 7160		563,000,000		563,000,000
<b>TOTAL, NEW APPROPRIATIONS</b>	<b>P 1,992,000,000</b>			<b>P 1,992,000,000</b>

Special Provisions

1. Remittance and Use of Share in Tobacco Excise Tax. The amount herein appropriated for the share in tobacco excise tax shall be remitted to the local government unit concerned and used in accordance with the provisions of R.A. No. 7171 and Memorandum Circular No. 61-A.

2. Allocation, Release and Use of Share in National Wealth. The amount herein appropriated for the share in the utilization and development of national wealth shall be allocated among entitled provinces, cities, municipalities and barangays in accordance with the formula prescribed under Section 292 of R.A. No. 7160 and shall be released directly by the Department of Budget and Management to the provincial, city, municipal or barangay treasurers, as the case may be: PROVIDED, That the computation of the share of each local government unit in the proceeds from the development and utilization of national wealth realized in 1995 shall be submitted by the revenue collecting agencies to the Department of Budget and Management not later than 15 March 1996: PROVIDED, FURTHER, That the proceeds from the utilization and development of the national wealth shall be appropriated by the respective sanggunian to finance local development and livelihood projects duly recommended by their respective Development Councils in coordination with the Representative of the legislative district concerned: PROVIDED, FINALLY, That at least eighty percent (80%) of the proceeds derived from the development and utilization of hydrothermal, geothermal and other sources of energy shall be applied to lower the cost of electricity in the local government units where such source of energy is located.

New Appropriations, by Object of Expenditures

(In Thousand Pesos)

A. Purpose

Current Operating Expenditures

Maintenance and Other Operating Expenses	
10 Grants, Subsidies and Contributions	1,992,000
Total Maintenance and Other Operating Expenses	1,992,000
<b>TOTAL NEW APPROPRIATIONS</b>	<b>1,992,000</b>

**D. LOCAL OFFICIALS INSURANCE PREMIUM FUND**

For payments of insurance premiums of local officials as indicated hereunder.....P 37,000,000

New Appropriations, by Purpose

Current Operating Expenditures

	<u>Personal Services</u>	<u>Maintenance and Other Operating Expenses</u>	<u>Capital Outlays</u>	<u>Total</u>
<b>A. PURPOSE</b>				
a. Payment of Insurance Premiums of Local Officials under R.A. No. 6942	P 37,000,000			P 37,000,000
<b>TOTAL, NEW APPROPRIATIONS</b>	P 37,000,000			P 37,000,000

**Special Provision**

1. Use of the Fund. The amount authorized herein shall be used for payment of insurance premiums of local officials including those for prior years in accordance with R.A. No. 6942.

New Appropriations, by Object of Expenditures

(In Thousand Pesos)

A. Purpose

Current Operating Expenditures

Personal Services	
Other Compensation	
Social Security Insurance Premiums	37,000
Total Other Compensation	37,000
01 Total Personal Services	37,000
<b>TOTAL NEW APPROPRIATIONS</b>	<b>37,000</b>

**E. LOCAL GOVERNMENT EMPOWERMENT FUND**

For project supporting national government priority programs and activities in the 19 priority provinces identified under the Social Reform Agenda and the 5th and 6th class local government units..... P 228,079,000

New Appropriations, by Program/Project

Current Operating Expenditures

	<u>Personal Services</u>	<u>Maintenance and Other Operating Expenses</u>	<u>Capital Outlays</u>	<u>Total</u>
<b>A. PROJECTS</b>				
<b>I. Locally-Funded Project(s)</b>				
a. To implement priority industrialization projects	P		P 100,000,000	P 100,000,000

	100,000,000	100,000,000	100,000,000
Sub-Total, Locally-Funded Project(s)			
<b>II. Foreign-Assisted Project(s)</b>			
a. Cordillera Highland Agricultural Resources Management Project, ADB Loan	45,549,000	28,180,000	73,729,000
Peso Counterpart Loan Proceeds	26,749,000		26,749,000
	18,800,000	28,180,000	46,980,000
b. Rural Water Supply, Sewerage and Sanitation Project, ADB Loan		54,350,000	54,350,000
Peso Counterpart Loan Proceeds		32,610,000	32,610,000
		21,740,000	21,740,000
Sub-Total, Foreign-Assisted Project(s)	45,549,000	82,530,000	128,079,000
Peso Counterpart Loan Proceeds	26,749,000	32,610,000	59,359,000
	18,800,000	49,920,000	68,720,000
Total, Projects	45,549,000	182,530,000	228,079,000
TOTAL, NEW APPROPRIATIONS	P 45,549,000	P 182,530,000	P 228,079,000

**Special Provision**

1. Use and Release of Fund. The amounts herein authorized for Locally-Funded Projects shall be used to implement industrialization projects in the 19 priority provinces under the Social Reform Agenda to be identified by the Presidential Council for Countryside Development in coordination with the local government units (LGUs) and endorsed by the Social Reform Council in coordination with the Representative of the legislative districts concerned: PROVIDED, That such amount shall be released directly to the implementing agencies.

The amounts herein authorized under foreign-Assisted Projects as Loan Proceeds and Peso Counterpart shall likewise be used to implement devolved activities supportive of major national government programs and projects implemented in the 19 priority provinces and/or in 5th or 6th class local government units, as may be identified and mutually agreed upon by the funding institution and the implementing agencies: PROVIDED, That such amount shall be released to the implementing agencies, subject to the guidelines as may be jointly prescribed by the Department of Budget and Management and National Economic and Development Authority, for the purpose.

**New Appropriations, by Object of Expenditures**

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(In Thousand Pesos)

**A. Programs/Locally-Funded Projects**

Capital Outlays

35 Buildings and Structures Outlay

100,000

Total Capital Outlays

100,000

Total Programs/Locally-Funded Projects

100,000

**B. Foreign-Assisted Projects**

**Current Operating Expenditures**

Maintenance and Other Operating Expenses

02 Travelling Expenses

1,584

03 Communication Services

500

04 Repair and Maintenance of Government Facilities

2,000

05 Repair and Maintenance of Government Vehicles

800

07 Supplies and Materials	5,000
14 Water, Illumination and Power Services	200
18 Extraordinary and Miscellaneous Expenses	35
23 Gasoline, Oil and Lubricants	1,000
24 Fidelity Bonds and Insurance Premiums	700
29 Other Services	33,730
<b>Total Maintenance and Other Operating Expenses</b>	<b>45,549</b>
<b>Total Current Operating Expenditures</b>	<b>45,549</b>
<b>Capital Outlays</b>	
34 Land and Land Improvements Outlay	82,530
<b>Total Capital Outlays</b>	<b>82,530</b>
<b>Total Foreign-Assisted Projects</b>	<b>128,079</b>
<b>TOTAL NEW APPROPRIATIONS</b>	<b>228,079</b>

**F. MUNICIPAL DEVELOPMENT FUND**

For foreign-assisted projects of local government units as indicated hereunder ..... P 884,765,000

New Appropriations, by Program/Project

Current Operating Expenditures

	Personal Services	Maintenance and Other Operating Expenses	Capital Outlays	Total
<b>A. PROJECTS</b>				
<b>I. Foreign-Assisted Project(s)</b>				
a. Sorsogon Integrated Area Development Project (SIADP)			P 25,000,000	P 25,000,000
Loan Proceeds			25,000,000	25,000,000
b. Metro Cebu Development Projects II (MCDP II)			708,000,000	708,000,000
Peso Counterpart			72,000,000	72,000,000
Loan Proceeds			636,000,000	636,000,000
c. Metro Cebu Development Projects III (MCDP III)			66,765,000	66,765,000
Peso Counterpart			66,765,000	66,765,000
d. Second Mandaue Mactan Bridge			85,000,000	85,000,000
Peso Counterpart			85,000,000	85,000,000

Sub-Total, Foreign-Assisted Project(s)	884,765,000	884,765,000
Peso Counterpart	223,765,000	223,765,000
Loan Proceeds	661,000,000	661,000,000
Total, Projects	884,765,000	884,765,000
TOTAL, NEW APPROPRIATIONS	P 884,765,000	P 884,765,000

**Special Provision**

1. Release and Administration of the Fund. The amount herein appropriated shall be released to and administered by the Bureau of Local Government Finance of the Department of Finance for the implementation of the Municipal Development Fund projects.

**New Appropriations, by Object of Expenditures**

(In Thousand Pesos)

**A. Foreign Assisted Projects**

Capital Outlays	
34 Land and Land Improvements Outlay	775,765
36 Furniture, Fixtures, Equipment and Books Outlay	109,000
Total Capital Outlays	884,765
TOTAL NEW APPROPRIATIONS	884,765

**G. METROPOLITAN MANILA DEVELOPMENT AUTHORITY**

For operational requirements, in accordance with the programs indicated hereunder .....P 645,000,000

**New Appropriations, by Program/Project**

	<u>Current Operating Expenditures</u>			
	<u>Personal Services</u>	<u>Maintenance and Other Operating Expenses</u>	<u>Capital Outlays</u>	<u>Total</u>
<b>A. PROGRAMS</b>				
<b>I. General Administration and Support/Support to Operations</b>	P 256,818,000	P 94,341,000	P 17,000,000	P 368,159,000
Sub-total, General Administration and Support to Operations	256,818,000	94,341,000	17,000,000	368,159,000
<b>II. Operations</b>				
a. Integrated Traffic and Transport Management	16,158,000	61,857,000	15,000,000	93,015,000
b. Operation and Development of Sanitary Landfill	3,034,000	82,382,000	98,410,000	183,826,000

Sub-total, Operations	19,192,000	144,239,000	113,410,000	276,841,000
Total, Programs	276,010,000	238,580,000	130,410,000	645,000,000
TOTAL NEW APPROPRIATIONS	276,010,000	238,580,000	130,410,000	645,000,000

## Special Provisions

1. Release and Use of Fund. The amounts herein appropriated shall be released to MMDA subject to submission to, and approval by, Department of Budget and Management of its detailed consolidated budget reflecting its sources of income as of December 31, 1995, which shall include the IRA currently allocated to the defunct Metropolitan Manila Authority and other income authorized under Section 10 of R.A. No. 7924 and its Implementing Rules and Regulations; PROVIDED, That the amount herein appropriated shall be used for implementation of the following projects and activities, namely: (a) Operation and development of sanitary landfills, (b) Integrated traffic and transport management and (c) Other metrowide services as stipulated under Section 3 of R. A. No. 7924: PROVIDED, FURTHER, That the MMDA may shift sufficient manpower to the aforementioned projects and activities and hire licensed environmental/regional planners to enhance its planning competence: PROVIDED, FINALLY, That all construction activities and acquisition of equipment shall be subject to open bidding, strictly following relevant guidelines and current COA rules and regulations.

2. Reporting Requirement. The MMDA shall submit at the end of every quarter a comprehensive report on all its transactions and operations, including construction activities and acquisition of equipment as well as the deployment and hiring of personnel. Such quarterly report shall be submitted to the Office of the President, and to both Houses of Congress.

3. Authority to Use Income. The Metropolitan Manila Development Authority (MMDA) is hereby authorized to use its proceeds from fines, fees and charges which it may impose and collect, as well as the mandatory remittances of its component local government units, to implement such programs, projects and activities as may be approved by the Metropolitan Manila Development Authority Council.

## PROGRAMS AND ACTIVITIES

	Personal Services	Maintenance and Other Operating Expenses	Capital Outlays	Total
I. General Administration and Support/Support to Operations	P 256,818,000	P 94,341,000	P 17,000,000	P 368,159,000
Sub-total, General Administration and Support to Operations	256,818,000	94,341,000	17,000,000	368,159,000
II. Operations				
a. Integrated Traffic and Transport Management	16,158,000	61,857,000	15,000,000	93,015,000
b. Operation and Development of Sanitary Landfill	3,034,000	82,382,000	98,410,000	183,826,000
Sub-total, Operations	19,192,000	144,239,000	113,410,000	276,841,000
TOTAL PROGRAMS AND ACTIVITIES	P 276,010,000	P 238,580,000	P 130,410,000	P 645,000,000

## New Appropriations, by Object of Expenditures

(In Thousand Pesos)

## A. Programs/Locally-Funded Projects

## Current Operating Expenditures

## Personal Services

Lump-sum for Salaries/Wages	146,980
Total Salaries/Wages	146,980



## Other Compensation

Terminal Leave Benefits	1,596
PAG-IBIG Contributions	2,786
Medicare Premiums	1,276
Employees Compensation Insurance Premiums	1,067
Representation and Transportation Allowance	1,865
Bonuses and Incentives	60,558
Personnel Economic Relief Allowance	16,426
Additional P500 Allowance	16,616
Clothing/Uniform Allowance	11,724
Hazard Pay	1,516
Longevity Pay	410
Overtime	877
Consultant's & Specialists Fees	2,097
Others	10,216

## Total Other Compensation

129,030

## 01 Total Personal Services

276,010

## Maintenance and Other Operating Expenses

02 Travelling Expenses	926
03 Communication Services	4,500
04 Repair and Maintenance of Government Facilities	5,030
05 Repair and Maintenance of Government Vehicles	28,241
07 Supplies and Materials	72,641
08 Rentals	34,000
14 Water, Illumination and Power Services	10,030
17 Training and Seminar Expenses	220
23 Gasoline, Oil and Lubricants	30,270
24 Fidelity Bonds and Insurance Premiums	185
29 Other Services	52,537

## Total Maintenance and Other Operating Expenses

238,580

## Total Current Operating Expenditures

514,590

## Capital Outlays

34 Land and Land Improvements Outlay	98,410
35 Buildings and Structures Outlay	25,000
36 Furniture, Fixtures, Equipment and Books Outlay	7,000

## Total Capital Outlays

130,410

## TOTAL NEW APPROPRIATIONS

645,000

GENERAL SUMMARY  
ALLOCATIONS TO LOCAL GOVERNMENT UNITS

Current Operating Expenditures

	<u>Personal Services</u>	<u>Maintenance and Other Operating Expenses</u>	<u>Capital Outlays</u>	<u>Total</u>
A. Internal Revenue Allotment	P	P56,594,000,000	P	P56,594,000,000
B. Magna Carta for Public Health Workers Devolved to Local Government Units	165,500,000			165,500,000
C. Special Shares of Local Government Units in the Proceeds of National Taxes		1,992,000,000		1,992,000,000
D. Local Officials Insurance Premium Fund	37,000,000			37,000,000
E. Local Government Empowerment Fund		45,549,000	182,530,000	228,079,000
F. Municipal Development Fund			884,765,000	884,765,000
G. Metropolitan Manila Development Authority	276,010,000	238,580,000	130,410,000	645,000,000
<b>Total New Appropriations, Allocations to Local Government Units</b>	<b>P 478,510,000</b>	<b>P58,870,129,000</b>	<b>P 1,197,705,000</b>	<b>P60,546,344,000</b>