EXPLANATORY NOTE

The 1987 Constitution mandates the maintenance of peace and order, protection of life, liberty, and property, and the promotion of the general welfare for enjoyment of the blessings of democracy by all the people and the importance of widespread rural development.

In a study done by the Asian Development Bank (ADB), Metro Manila ranked as the most congested city in Asia. Recent estimates have pegged the population in the area at 12.8 million. Traffic congestion is a primary problem bewailed by residents in cities within and nearby the National Capital Region (NCR). Corollarily, experts have warned that Metro Manila is sinking at a rate of around 10 centimeters per year. Reports indicate that some areas in Metro Manila have sunk 27-53 inches or nearly 4 and a half feet, from 1979 to 2009, and continues to sink. For many years, Metro Manila has been prone to frequent flooding which paralyses many of day-to-day operations in government and businesses of private entities in the area.

The lamentable situation in Metro Manila has negatively affected the welfare of Filipinos, especially the residents, employees, and workers in the area. There were reports of people dying inside ambulances stuck in the middle of EDSA, numerous vehicular collisions, and delayed delivery of goods and services caused by the worsening traffic congestion. The Metro traffic has reportedly led to significant
economic losses. The Japan International Cooperation Agency estimated that if traffic congestion continues to worsen, it may lead to Php5.4 billion losses each day by 2035.

The ADB study suggested that relocating national government agencies may ease traffic congestion in the NCR and likewise promote development in rural areas. Transferring the government center to the countryside shall relieve Metro Manila of congestion and overpopulation, thereby improving the delivery of basic goods and services. A new government center where agencies will be located close to each other shall improve coordination and communication between government entities, reduce bureaucratic red tape, and ensure swift delivery of public service. The Municipality of General Nakar in Quezon provides adequate space to contain the new government center. The area will allow government agencies to establish their offices and maximize the space for more efficient operations.

To complement the objective of decongesting Metro Manila and securing sustainable and efficient delivery of public services, the bill also provides incentives to employees and businesses which will follow and relocate near the new government center. The establishment of this new government center shall serve as a stimulus for rural development. Economic enterprises, corporations, and other businesses are encouraged to transfer to areas near the new government center to facilitate ease of doing business and prevent unnecessary delay and bureaucracy in government transactions. New residential settlements are also expected to be established in nearby areas. With this comes the opportunity for strategic urban and rural planning, thereby fully maximizing the potential of the countryside, promoting development and effecting equitable distribution of economic opportunities.

In accordance with this constitutional mandate of the State to make efforts towards development, transferring national government agencies and government owned and controlled corporations shall be an immense enhancement to our country’s economy and capability.

In view of the foregoing, the approval of this bill is earnestly sought.

ALETA C. SUAREZ
Representative
Third District, Quezon Province

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WILFRIDO MARK M. ENVERGA
Representative
First District, Quezon Province

DAVID "JAY-JAY" C. SUAREZ
Representative
Second District, Quezon Province

ANNA MARIE VILLARAZA-SUAREZ
Representative
ALONA Partylist
AN ACT
TRANSFERRING THE NATIONAL GOVERNMENT CENTERS TO GENERAL
NAKAR, QUEZON PROVINCE, APPROPRIATING FUNDS THEREFOR,
AND FOR OTHER PURPOSES

SECTION 1. Short Title. - This Act shall be known as the "New Government Center Act".

SECTION 2. Declaration of Policy. - It is hereby declared the policy of the State to protect and promote the welfare of Filipinos by streamlining the delivery of government services and providing access to these basic services. To this end, it is imperative for the government to take necessary measures that will empower communities with access to basic government services and to free the people from the unnecessary bureaucratic layers. The State shall ensure efficient transactions and operations by bringing government services to the people in one area to maximize and save time and resources. The new national government center shall include the Executive Offices, the Senate, the House of Representatives, the Supreme Court and other national offices of the Judiciary, other national government agencies, and Government Owned and Controlled Corporations.

Furthermore, it is the policy of the State to promote rural development. The State shall hereby provide incentives to encourage establishment and relocation of residential settlements and new business centers in the adjacent municipalities.

SECTION 3. Establishment of New Government Center and Transfer of National Government Agencies - There shall be a new government center established in the municipality of General Nakar, Quezon Province. All national government agencies
including Government Owned and Controlled Corporations (GOCCs) located in the National Capital Region (NCR) shall be transferred to this new government center.

The non-critical functions of these NGAs and GOCCs, such as, but not limited to, personnel, transportation, accounting, payroll, human resources, among others shall be given priority in the transfer.

These offices/agencies/corporations should be fully functioning in General Nakar, Quezon within one (1) year after the approval of the Implementing Rules and Regulations (IRR), unless stated otherwise, and as approved.

SECTION 4. *Transition Commission*. - There shall be a Transition Commission composed of representatives from the Civil Service Commission, Department of Budget and Management, Department of Finance, Department of Interior and Local Government, Department of Transportation, Department of Public Works and Highways and the local government of General Nakar, Quezon, which shall be established upon the effectivity of this Act. The Transition Commission shall have the following functions:

a. serve as oversight committee for the transfer and transition of the agencies and government corporations;

b. determine capabilities of the agencies and corporations to transfer to General Nakar and prescribe measures to continue or dismiss from transfer;

c. develop and approve necessary transfer and transition requirements and conditions of government agencies and corporations. These include boundaries of the new government center, possible modes of transfer, safety measures, and labor standards;

d. determine allowable incentives pursuant to Section 5 of this Act.

SECTION 5. *Benefits and incentives by reason of transfer*

a. *Employee benefits* - Government employees, before the agreed upon transition and transfer of their respective offices to General Nakar, Quezon, shall be provided with transportation, education, health and housing assistance upon agreement to transfer, without prejudice to previously acquired standard and specific-purpose allowances, agreements, and benefits upon original employment.

An employee has the option to be transferred to an attached agency and/or office of their respective agencies within NCR. The option for a special voluntary severance package and an exemption from certain
Government Service Insurance System (GSIS) pension requirements for the early separation of government employees is also allowed.

Employees transferred to General Nakar, Quezon within the prescribed period shall be subjected to special bonuses and incentives for compliance through its inclusion in the annual General Appropriations Act.

b. **Business incentives** - Domestic and foreign corporations which will also establish and transfer their principal or branch offices, factories, or warehouses in General Nakar and in nearby municipalities in Quezon shall be given fiscal and non-fiscal incentives upon the transition and transfer of government offices.

The Department of Finance and the Department of Trade and Industry shall be responsible for the administration and implementation of such incentives incidental under this Act.

**SECTION 6. Appropriations.** - The National Government through the Department of Budget and Management shall appropriate the initial funding for the implementation of this Act which shall thereafter be included in the actual General Appropriations Act passed by Congress.

**SECTION 7. Implementing Rules and Regulations.** - Within ninety (90) days from the effectivity of this Act, the Transition Commission, in consultation with appropriate government agencies and other stakeholders, shall promulgate the necessary rules and regulations to implement this act.

**SECTION 8. Separability Clause.** - Should any provision of this Act be declared invalid or unconstitutional, no other provision hereof shall be thereby affected.

**SECTION 9. Repealing Clause.** - All laws, decrees, executive orders, rules, regulations, orders, circulars, and memoranda inconsistent with any provisions of this Act are hereby repealed or modified accordingly.

**SECTION 10. Effectivity.** - This Act shall take effect fifteen (15) days after its publication in the **Official Gazette** or in a newspaper of general circulation.

Approved.