

[PRESIDENTIAL DECREE NO. 501, June 28, 1974]

AMENDING CERTAIN PROVISIONS OF PRESIDENTIAL DECREE NUMBER ONE HUNDRED SEVENTY-FIVE, ENTITLED "STRENGTHENING THE COOPERATIVE MOVEMENT", RELATING TO THE REGULATORY POWERS OF THE DEPARTMENT OF LOCAL GOVERNMENT AND COMMUNITY DEVELOPMENT OVER COOPERATIVES.

WHEREAS, under Republic Act No. 6038 which governs electric cooperatives, and Presidential Decree No. 40 and Letter of Instructions No. 38, the primary power and responsibility of promoting, organizing, registering, assisting and regulating electric cooperatives is vested in the National Electrification Administration;

WHEREAS, Presidential Decree No. 175, entitled "Strengthening the Cooperative Movement" however, repealed all past cooperative laws and vested in the Department of Local Government and Community Development the full authority to promulgate rules and regulations to govern the promotion, organization, registration, regulation and supervision of all types of cooperatives;

WHEREAS, there is an imperative need to exclude electric cooperatives from the operation of Presidential Decree No. 175 in consonance with present developmental plans in the light of the government's policy accelerating the development of rural electrification by converting the National Electrification Administration into a national corporation.

NOW, THEREFORE, I, FERDINAND E. MARCOS, President of the Philippines, by virtue of the powers vested in me by the Constitution do hereby order and decree.

SECTION 1. Section 8 of the Presidential Decree No. 175 is hereby amended to read as follows:

SECTION 8. *Powers of Regulatory Agency.* — The Department of Local Government and Community Development through the Bureau of Cooperatives Development is vested with full authority to promulgate rules and regulations to govern the promotion, organization, registration, regulation and supervision of all types of cooperative except electric cooperatives which shall remain under the regulation and supervision of the National Electrification Administration under the provisions of Republic Act No. 6038 in conjunction with Presidential Decree No. 40 and Letter of Instructions No. 38. Specifically, it shall have the following powers:

- a. To call on any office, agency, instrumentality or individuals belonging to the government or private sector for such assistance as may be needed.
- b. To register new cooperatives, re-register existing cooperatives and regulate and supervise the following types of cooperatives.
 1. Barrio Associations which shall have the provisional status of a cooperative and serve the requirements of Presidential Decree No. 27 in the issuance of certificates of land transfer;