

**Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City, Metro Manila**

Thirteenth Congress
Third Regular Session

House Bill No. 5747



Introduced by Honorable Catalino V. Figueroa

EXPLANATORY NOTE

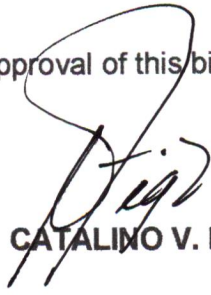
This bill seeks the creation of a Philippine Sports Development Authority (PSDA) which shall, among others, formulate policies, plans and programs on sports development, physical fitness and the recruitment and training of national athletes for international sports competitions, abolishing for the purpose, the Philippine Sports Commission (PSC).

The splendid performance of the Filipino athletes in the recently concluded South East Asian Games (SEAG) held in the Philippines is proof of the great potentials of Philippine Sports. Clearly, it also shows that Filipino athletes can excel in any sports education. However, it is very unfortunate that Philippine Sports is marred by politics. Bickerings and misunderstandings among sports officials affect the training and lower the morale of the athletes. They get confused where to go and whom to ask for financial and training assistance.

Further, when the South East Asian Games are held in other countries, sports officials and their friends consist more than half of the Philippine delegation instead of sending a good number of well-trained athletes to compete in the games so as to have better chances of winning.

By creating the Philippine Sports Development Authority, athletes will be insulated from politics. All training programs undertaken by various government agencies and sports organizations shall be regionalized following strict centralized program of activities concentrating more on the proper preparation of these athletes. This will also ensure the efficient and speedy release of training funds. In so doing, the policy of the State to promote physical education, encourage and sustain the development of sports in the country to foster physical fitness, self-discipline, teamwork and excellence in this field shall be realized.

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



CATALINO V. FIGUEROA

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**AN ACT
CREATING THE PHILIPPINE SPORTS DEVELOPMENT AUTHORITY
(PSDA), DEFINING ITS POWERS AND FUNCTIONS, ABOLISHING THE
PHILIPPINE SPORTS COMMISSION FOR THE PURPOSE AND
APPROPRIATING FUNDS THEREFOR.**

*Be it enacted by the Senate and the House of Representatives of the
Philippines in Congress assembled:*

SECTION 1. Short Title. – This Act shall be known as “*The Philippine Sports Development Act of 2006.*”

SECTION 2. Declaration of Policy. – It is the policy of the State to promote physical education, league competitions and amateur sports programs, in order to foster self-discipline, teamwork and excellence for the development of a healthy and alert citizenry through a unified national sports promotion and development program, and the establishment and creation of a single, unified and integrated national sports policy-making body which shall further these objectives.

SECTION 3. Creation of the Philippine Sports Development Authority.
– There is hereby created the Philippine Sports Development Authority, hereinafter referred to as the Authority, which shall, among others, formulate

and implement policies, plans and programs on youth development, physical fitness and sports development.

SECTION 4. Functions of Authority. – The Authority shall exercise the following functions:

- a) Conduct basic and applied research on sports development;
- b) Encourage, initiate, and establish youth organizations to promote and develop youth sports activities open to persons thirteen (13) years old and above, and administer such organizations;
- c) Coordinate allied youth sports activities with the Department of Education (DepEd), the Department of National Defense (DND), the Department of Labor and Employment (DOLE) and the Department of Social Welfare and Development (DSWD);
- d) Conduct promotion and fund raising activities to achieve the purpose of the Authority;
- e) Plan and implement an integrated program of physical fitness and amateur sports development for the country;
- f) Adopt and enforce a uniform set of rules to determine and govern amateur athletes and sports in the Philippines; accredited, recognize and supervise national sports associations; and formulate rules of procedure to be observed by the national sports association in hearing and deciding cases;
- g) Develop and maintain recreational facilities, playgrounds, and sports centers in strategic places in the country, and a modern sports complex adequate for major international sports competitions;

- h) Assist the proper government department or agency in the formulation of an industry incentives program for the local manufacture of sporting goods and equipment;
- i) Delegate authority for the performance of any function to officers and employees under its direction;
- j) Tap and screen potential world class athletes;
- k) Centralize all training programs undertaken by various government agencies and sports organizations;
- l) Promote local amateur sports competitions;
- m) Confer, extend and grant support or assistance to sports association;
- n) Confer, extend and grant awards, benefits and privileges to athletes, coaches and officials, and their support group for outstanding performances in national and international competitions;
- o) Accept donations, gifts, bequests, and grants for and on behalf of the Authority; and
- p) Perform such other functions as may be necessary to attain the purposes of this Act.

SECTION 5. Powers of the Authority. – The Authority shall exercise the following powers:

- a) Appoint the officers and other personnel of the Authority and fix their monthly compensation, subject to existing laws, rules and regulations;

- b) Delegate authority for the performance of any function to officers and employees under its direction;
- c) Enter into contracts;
- d) Acquire, use and control any land, building, facilities, equipment, instrument, tools and rights required or otherwise necessary for the accomplishment of the purposes of the Commission;
- e) Acquire, own, possess and dispose of any real or personal property in the name of the Commission;
- f) Regulate the acquisition, procurement, distribution and use of sportswear, equipment, instruments, tools and other sports necessities required for training of a national pool of athletes;
- g) Assist and support national sports associations;
- h) Confer, extend and grant support or assistance to other sports associations which are in good standing with the commission;
- i) Exercise supervisory and visitorial powers over the national sports associations in connection with their sports promotion and development programs and financial assistance which is extended by the Authority;
- j) Accept donations, gifts, bequests, and grants for the purposes of the Authority;
- k) Ensure the implementation by the various government departments and agencies of their sports promotion and development programs as indicated in their respective annual budgets;

- l) Impose sanctions upon any national sports association, institution, body, entity, team, athlete and sports official for violation of the policies, rules and regulations of the Authority; and
- m) Perform any and all other acts incident to or required by virtue of its creation.

SECTION 6. Chairman. – The exercise of the powers and the discharge of the functions of the Authority shall be vested in the Chairman. He shall be assisted by four (4) Commissioners representing the National Sports Associations; the Bureau of Physical Education and School Sports; The Union of Local Authority of the Philippines and the private sector. The Commissioners shall assist in the policy determination and in the discharge of the functions of the Authority.

SECTION 7. Qualifications. – The Chairman and the Commissioners must be citizens of the Philippines, recognized personalities in their respective field of sports, at least thirty (30) years of age and of good moral character.

SECTION 8. – Compensation and other Benefits. – The Chairman shall receive an annual compensation and shall be entitled to other benefits and privileges provided under existing laws equivalent to those being received by an undersecretary of a department and the Commissioners shall receive the compensation and benefits of an assistant secretary.

SECTION 9. Regional Offices. – There shall be established as many regional offices as are necessary consistent with the requirements of economy and efficiency. The regional office shall be headed by a Regional Director who may be assisted , whenever necessary, by one or more Assistant Regional Directors.

The Regional Directors and Assistant Regional Directors shall be appointed by the President upon the recommendation of the Chairman. A Regional Director shall be a college graduate, with a degree in Physical Education, or a college graduate actively engaged in a youth development program, a physical fitness program, or amateur sports development, and has at least five (5) years experience in sports administration.

The Regional Office shall have such counterpart units as may be necessary, corresponding to the major functional areas in the Authority. The Authority shall establish such sub-regional offices as may be necessary within each region for the accomplishment of its objectives.

SECTION 10. Duties of the Regional Director. – The Regional Director shall supervise all activities of the Philippine Sports Development Authority on youth development and physical fitness and coordinate amateur sports development within his regional area of jurisdiction.

The Regional Director shall also perform the following duties, among others:

- a) Implement all the policies of the Authority insofar as the region is concerned;
- b) Plan and implement a youth development program for the region;
- c) Plan and implement a physical fitness and amateur sports development program for the region in coordination with local government officials specifically charged with the same task;

- d) Coordinate and harmonize the activities of all organizations engaged in youth development, physical fitness, and amateur sports development in the region;
- e) Administer such common properties of the Authority as may exist in the region and assist in the maintenance of existing sports facilities therein;
- f) Supervise the municipal, barrio, barangay programs on youth development and physical fitness and coordinate amateur sports development;
- g) Prepare an annual budget for the region and submit the same for approval and funding of the Authority;
- h) Prepare and submit necessary reports to the Authority; and
- i) Perform such other functions as may be directed by the Authority or as may be provided by law.

SECTION 11. The Philippine Olympic Committee. – The Philippine Olympic Committee (POC) which is affiliated with the International Olympic Committee is hereby recognized as the National Olympic Committee for the Philippines. It is autonomous in character.

The Philippine Olympic Committee shall maintain its primary responsibility for activities pertaining to the country's participation in the Olympic Games, Asian Games and other international athletic competitions in accordance respectively with the rules and regulations of the International Olympic Committee, the Olympic Council of Asia, the Southeast Asian Games Federation and other international sports bodies.

SECTION 12. – National Sports Associations. – National sports associations, organized for their respective sports in the Philippines or affiliated with their respective international federations which are recognized by the International Olympic Committee, are recognized as such by the Authority.

The national sports associations each headed by distinguished sports personalities in the field of the particular sport recognized by the Authority shall be autonomous and shall have exclusive technical control over the promotion and development of the particular sport for which they are organized, subject to the supervisory and visitorial powers of the Chairman.

Each sports association shall, by its constitution and by-laws, determine its organization and membership: *Provided, however,* That no team, school, club, organization or entity shall be admitted as voting member of a national sports associations unless one hundred percent (100%) of the athletes composing said team, school, club, organization or entity are Filipino citizens.

SECTION 13. Powers and Functions of the National Sports Association. – The Authority recognizes the following powers and functions of the various national sports associations:

- a) Adopt a constitution and by-laws not inconsistent with the constitution and by-laws of the Philippine Olympic Committee;
- b) Raise funds by donations, benefits and other means for their purposes;

- c) Purchase, sell, lease or otherwise encumber property, real or personal for the accomplishment of their respective purposes;
- d) Affiliate with international regional sports associations;
- e) Conduct competitions for the promotion of their respective sports;
- f) Appoint their representative to the Philippine Olympic Committee;
- g) Decide all questions on the amateur status and discipline of the athletes and officials connected with the associations as well as the members thereof and all disputes between members;
- h) Adopt, in coordination with the Philippine Olympic Committee, a training program for the development of the athletes and their preparation for international competitions;
- i) Select the athletes, coaches and other officials for their national teams taking into consideration not only their athletic abilities but also their discipline, moral character, aptitude and attitude;
- j) Keep accurate records of all official marks, scores and results attained by the athletes in the associations in all competitions, as well as all results of sports competitions, recognize and confirm the same and furnish copies thereof to the Philippine Olympic Committee;

- k) Qualify the license referees, umpires and other game officials who shall officiate in competitions in their respective sports; and
- l) Perform such other acts as may be necessary for the proper accomplishment of their purposes.

SECTION 14. Bureau of Physical Fitness and School Sports. – There is hereby created a Bureau of Physical fitness and Sports, hereinafter referred as the Bureau, under the jurisdiction of the Authority. The Bureau shall be responsible for providing guidelines and standards on physical education and fitness, on the promotion and improvement of sports among amateurs, and on the development and maintenance of playgrounds and sports centers. It shall also develop a program on annual interscholastic meets and provide guidelines for the implementation. The Bureau shall be headed by a Director.

The Bureau shall have the following divisions: (i) Physical Fitness Program Division and (ii) the Amateur Sports Development Division.

The Physical Fitness Program Division shall be responsible for the planning of broad-based nationwide physical fitness, recreation and health programs.

The Amateur Sports Development Division shall be responsible for the supervising and coordinating with the national sports associations, developing and maintaining sports and facilities and fund raising.

SECTION 15. Annual Scholastic Meet (Palarong Pambansa). – As an integral part of the nationwide physical fitness and amateur sports development program and in consonance with the program and guidelines approved or prescribed pursuant to Section 14 hereof, the Authority shall plan and conduct each year one (1) National Interscholastic Meet (Palarong

Pambansa) which shall be preceded successively by local athletic meets in the municipal, city, provincial, and regional levels: *Provided, however,* That for this purpose the Authority shall closely coordinate with the DepEd and the Department of the Interior and Local Government (DILG) regarding the involvement or participation therein of all educational as well as students, local government units and out-of-school youth.

The Interscholastic Meet (Palarong Pambansa) provided herein, a combination of the hitherto public schools and private school interscholastic meets, including the participation of out-of-school youth, shall be managed through the Bureau of Physical Fitness and Sports, and as such activities shall be funded from the appropriations of the Authority.

SECTION 16. Sports Facilities. – The administration and full control of all existing sports facilities, including land, buildings and equipment, owned by the national government as well as those owned by government- funded foundations, associations and entities, including those under the management and control of Philippine Sports Commission, shall be transferred to the Authority: *Provided,* That the sports facilities owned by the local government units, state colleges and universities, or public schools shall remain with the said institutions or entities.

SECTION 17. Tax Exemption on the Use of Sports Facilities. – To encourage popular participation in amateur sports, no tax of any kind shall be levied on the use of sports facilities, whether the tax be on the user, owner or operator of the sports facility.

SECTION 18. Tax Exemption of the Authority. – The Authority shall be exempted from the payment of customs duties, taxes and tariffs on the

importation of sportswears, equipment, supplies, instruments and materials, including those donated to the Authority, which are of international sports standard not available from local manufacturers and only in such numbers as may be required in the development of various sports and training of national pool of athletes. The importation of sportswears, equipment, supplies, instruments and materials donated to the Philippine Olympic Committee and through the Authority, to the various national sports associations certified under oath by the Authority to be required and necessary for the development of sports in the country shall also be exempt from the payment of customs duties, taxes and tariffs.

SECTION 19. Donations and Contributions. – All donations and contributions to the Authority in connection with its fund-raising projects and its continuing sports development programs shall be exempt from the donor's taxes and shall be deductible in full in the computation of the taxable net income of the donor.

Donations and contributions to the Philippine Olympic Committee and the various national sports associations certified by the Authority to be pursuant to the development of sports in the country shall likewise be exempt from the payment of the donor's and estate taxes and shall be deductible in full in computing the taxable net income of the donor.

SECTION 20. Sports Delegation. – The Authority and its delegation or representatives to any international sports convention, conference and meeting, and athletes, coaches and other officials to any international competition shall be exempt from the payment of travel tax and other travel related taxes or fees or hereafter imposed by law or regulation. In any

international competition, the participating athletes should be chosen as far as practicable in accordance with the strict guidelines as formulated by the Authority, insulating them from politics. Accompanying officials and coaches shall be strictly limited to the needs of the competing athletes.

SECTION 21. Land grant. – The provisions of any existing law to the contrary notwithstanding, and upon the recommendation of the Secretary of Environment and Natural Resources, the President may grant by donation, sale, lease or otherwise, portions of the land of the public domain to the Authority as may be necessary for the establishment of regional training centers in all the regions of the country and for the accomplishment of any of its purposes.

SECTION 22. – Sports and Development Program. – Within six (6) months from the effectivity of this Act, the Philippine Sports Development Authority shall conduct a national sports associations, amateurs, schools sports officials and as well as the out of school youths in order to formulate a comprehensive sports development program.

SECTION 23. Government Assistance. – The Authority may call upon any government entity for assistance in the performance of its functions and duties. All heads of departments, agencies, corporations and offices of the government are hereby enjoined to render full assistance and cooperation to the Authority to ensure the attainment of its objectives and the success of the national sports development program.

SECTION 24. Abolition. – The Philippine Sports Commission and all other government-funded foundations and associations related to sports are hereby abolished and their functions, applicable appropriations, records,

equipment, property, rights, claims and such other incidental things as may be necessary are transferred to the Authority.

All of the said government funded foundations and associations related to sports must turn over all their properties and functions to the Authority and wind up their affairs within six (6) months after the effectivity of this Act: *Provided*, That the liabilities and accountabilities of the Philippine Sports Commission, government-funded foundations and association related to sports shall be settled fully by the National Government within the winding up period: *Provided, further*, That employees of such abolished agencies, particularly the rank and file, shall be absorbed by the Authority to the extent that it is administratively feasible.

SECTION 25. Funding. – In order to provide the necessary funds required for the organizational and initial calendar year of operational expenditures of the Authority, the appropriations of the abolished Philippine Sports Commission shall be transferred to the Authority and if it is necessary, a supplemental appropriations recommended by the Authority to the President within ninety (90) days from its creation shall likewise be submitted.

Thereafter, the amount needed for the operation of the Authority shall be included in the General Appropriations Act.

SECTION 26. Repealing Clause. – All laws, presidential decrees, executive orders, presidential proclamations, rules and regulations or parts thereof inconsistent with this Act are hereby repealed or modified accordingly.

SECTION 27. – Separability Clause. – If any provision of this Act is declared unconstitutional, the same shall not affect the validity and effectivity of the other provisions hereof.

SECTION 28. – Effectivity. – This Act shall take effect fifteen (15) days after its publication in at least two (2) national newspapers of general circulation.

Approved,