

Republic of the Philippines
House of Representatives
Quezon City

Fifteenth Congress

First Regular Session

HOUSE BILL NO. 1230

Introduced by Honorable Winston Castelo

EXPLANATORY NOTE

Section 24, Article II (Declaration of Principles and State Policies) of the 1987 Constitution states:

"SEC. 24. The State recognizes the vital role of communication and information in nation-building."

To give recognition to the vital importance of information technology in national development, this bill seeks to reorganize and rationalize certain government functions. This bill proposes to create a new agency which shall be known as the Department of Information Technology and Communications (DITC) that will effectively merge the communications arm of the Department of Transportation and Communications (DOTC) with the information technology division of the Department of Science and Technology (DOST), Commission on Information and Communications Technology (CICIT) and the National Computer Center (NCC) which is presently under the Office of the President. These are offices in charge of communications and information technology planning for the government.

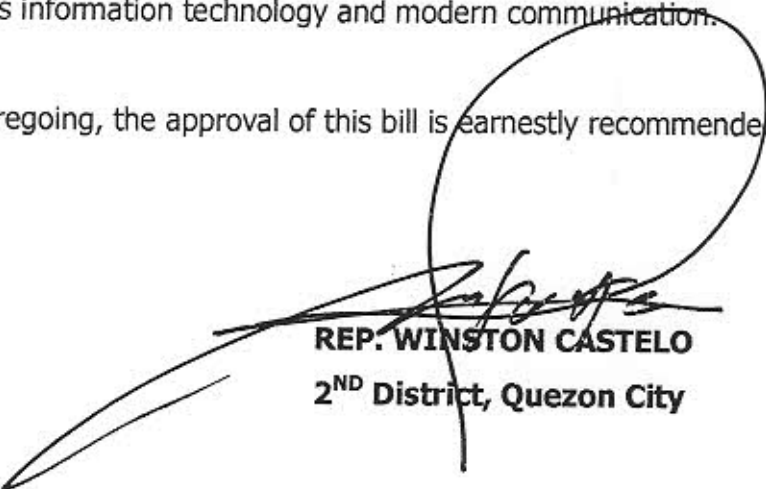
Through this bill, we look forward to the use of information technology and modern communication to spur the growth of the economy, improve the efficiency of

government and the delivery of public services. In this way, we overcome geographic limitation to achieve the goal of globalization by transcending cultural and territorial barriers.

To attain this objective, there is a need to provide a national and integrated government program that will optimize the utilization of information technology and communications facilities. Moreover, it is of critical importance that the information technology and communications services of the government be integrated. Information technology offers tremendous potential to meet basic human needs and develop human resources.

Countries around the world realize the inherent advantages of dealing in an environment that is uniform and closely knit. The integration of everything from trade and technology is an inevitable consequence of globalization. At the heart of this global momentum is information technology and modern communication.

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



REP. WINSTON CASTELO

2ND District, Quezon City

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HOUSE BILL NO. _____

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AN ACT
CREATING THE DEPARTMENT OF INFORMATION TECHNOLOGY AND
COMMUNICATIONS, DEFINING ITS POWERS AND FUNCTIONS,
APPROPRIATING FUNDS THEREFOR, AND FOR OTHER PURPOSES.

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

SECTION 1. This Act shall be known as the "Department of Information Technology and Communications Act of 2001."

SEC. 2. **Declaration of Policy.** – The State shall provide the policy environment for the full development of Filipino capability and the resurgence of communications structures suitable to the needs and aspirations of the nation and the balanced flow of information into, out of, and across the country, in accordance with a policy that respects the freedom of speech and of the press. For this purpose, the State shall provide a national and integrated government program that will optimize the utilization of information technology and communications facilities towards the attainment of continued economic growth and development.

SEC. 3. **Creation of Department of Information Technology and Communications.** – There is hereby created a Department of Information

Technology and Communications, hereinafter referred to as the DITC, which shall assume the communication functions of the Department of Transportation and Communications and such other functions as may be assigned to it by law.

SEC. 4. Objectives. – The Department of Information Technology and Communications shall have the following objectives:

- (a) Promote the development of dependable and coordinated information technology and communications systems;
- (b) Guide the development of information technology and communication systems in a most practical, expeditious, and orderly fashion of maximum service, safety and cost effectiveness;
- (c) Impose appropriate measures so that technical, economic and other conditions for the continuing economic viability of the information technology and communications entities are not jeopardized;
- (d) Develop an integrated plan for a nationwide information technology and communications service requirements;
- (e) Encourage the development of the information technology and communications industries and to complement and support, as much as possible, the expansion, development, operation and maintenance of the nationwide computer and telecommunications network; and
- (f) Provide for a safe, reliable and efficient postal system for the country.

SEC. 5. Authority and Responsibility. – The authority and responsibility for the exercise of the mandate of the DITC and for the discharge of its powers and functions shall be vested in the Secretary of Information Technology and

Communications, hereinafter referred to as the Secretary, who shall have supervision and control over the DITC and who shall be appointed by the President of the Republic of the Philippines.

SEC. 6. Powers and Functions. – To accomplish its mandate, the DITC shall have the following powers and functions:

- (a) Formulate and recommend national policies and guidelines for the preparation and implementation of integrated and comprehensive information technology and communications system at the national, regional and local levels;
- (b) Establish and administer comprehensive and integrated programs for information technology and communications, and for this purpose, may call on any agency, corporation, or organization, whether public or private, whose development programs include information technology and communications as an integral part thereof, to participate and assist in the preparation and implementation of such programs;
- (c) Assess, review and provide direction to information technology and communications research and development programs of the government in coordination with other institutions concerned;
- (d) Administer and enforce all laws, rules and regulations in the field of information technology and communications;
- (e) Establish, operate and maintain a nationwide postal system that shall include mail processing, delivery services, and money order services and promote the art of philately;

- (f) Establish and prescribe rules and regulations for the establishment, operation and maintenance of such telecommunications facilities in areas not adequately served by the private sector in order to render such domestic and overseas services that are necessary with due consideration for advances in technology;
- (g) Establish and prescribe rules and regulations for the operation and maintenance of a nationwide postal system that shall include mail processing, delivery services, money order service and promotion of philately;
- (h) Establish and prescribe the corresponding rules and regulations for the enforcement of laws governing information technology, postal services, including the penalties for violations thereof, and for the deputation of appropriate law enforcement agencies in pursuance thereof; and
- (i) Perform such other powers and functions as may be prescribed by law, or as may be necessary, incidental, or proper to its mandate, or as may be assigned from time to time by the President of the Philippines.

SEC. 7. Officers of the DITC.- The Secretary shall be assisted by three (3) Undersecretaries who shall be appointed by the President upon the recommendation of the Secretary.

The Secretary shall also be assisted by six (6) Assistant Secretaries appointed by the President upon the recommendation of the Secretary, each of whom shall be responsible for the following four (4) staff offices composed of eight (8) services and three (3) line offices, and shall report to the respective Undersecretaries assigned by

the Secretary, which Undersecretary shall have control and supervision over said respective services and offices:

(a) Office of the Assistant Secretary for Administrative and Legal Affairs:

1. Administrative Service, and
2. Legal Service

(b) Office of the Assistant Secretary for Finance and Comptrollership:

1. Finance and Management Service, and
2. Comptrollership Service

(c) Office of the Assistant Secretary for Planning and Project Development:

1. Planning Service, and
2. Project Development Service

(d) Management Information Service and Project Management:

1. Management Information Service, and
2. Project Management Service

(e) Office of the Assistant Secretary for Postal Services

(f) Office of the Assistant Secretary for Telecommunications

(g) Office of the Assistant Secretary for Information Technology

Each of the above-named services shall be headed by a service chief appointed by the Secretary.

SEC. 8. Structural Organization. – The Office of the Secretary shall have direct line supervision and control over the regional offices. It shall be responsible for developing and implementing policies, plans, programs and projects for the department.

The DITC which is comprised of the offices of the Secretary, Undersecretary and Assistant Secretaries shall include the regional offices and the attached agencies of the DITC.

SEC. 9. Regional Offices. – The DITC shall have three (3) Regional Offices in each of the Administrative regions of the country: the Regional Office for Information Technology, the Regional Office for Telecommunications and the Regional Office for Postal Services. Each Regional Office shall be headed by a Regional Director and assisted by an Assistant Regional Director.

The Regional Offices shall essentially be line in character and shall be responsible for the delivery of all front line services of the DITC.

For such purposes, the Regional Offices shall have, within their respective administrative regions, the following functions:

- (a) Implement laws, policies, plans, programs, projects, rules and regulations of the DITC;
- (b) Provide efficient and effective service to the people;
- (c) Coordinate with regional offices of other departments, offices and agencies;
- (d) Coordinate with local government units;
- (e) Perform such other functions as may be provided by law.

SEC. 10. Appointed by Officials and Employees. – All other officers not appointed by the President and all rank and file, contractual or casual employees, shall be appointed by the DITC Secretary.

SEC. 11. Nature of the Appointment of Officials and Employees. –

Appointment to the positions with rank lower than that of the assistant secretaries of the DITC shall be made only upon merit and fitness and shall be governed by relevant laws, rules and regulations on the matter.

SEC. 12. Agencies Attached and Placed Under the Control and Supervision of the DITC. – The DITC shall exercise control and supervision over the following agencies, any provision of the law or their respective charters to the contrary notwithstanding:

- (1) National Computer Center (NCC)
- (2) National Telecommunications Commission (NTC)
- (3) Philippine Postal Corporation (PPC)
- (4) Science and Technology Information Institute (STII)

All actions taken and exercised by the governing boards and executives of the abovenamed agencies which affect and bear on the policies, programs, projects, rules and regulations of the DITC shall require the prior approval of the Secretary.

SEC. 13. Security of Tenure. – In the implementation of this Act, the Executive Branch of the government shall insure that there shall be no undue separation of personnel. In the event that the laying-off of personnel becomes unavoidable because of the abolitions of their office or positions, impact mitigation measures shall be adopted, such as redeployment of separated employees of one department or agency to other appropriate departments, agencies or entities.

SEC. 14. Separation Benefits. – Employees who may be separated or removed from the service by reason of this Act, shall be granted a gratuity

equivalent to one hundred fifty percent (150%) of their basic monthly pay for every year of service, based on the highest salary received. For those employees who have been in the government service for at least fifteen (15) years and are at least fifty years old, they may opt to avail of the early retirement benefits equivalent to seventy five percent (75%) of the amount they would have been entitled to receive as full retirement benefits had they remained in the service for the mandated period.

SEC. 15. **Rules and Regulations.** – Within sixty (60) days from their appointment, the Secretary shall promulgate rules and regulations for the effective implementation of this Act.

SEC. 16. **Appropriation.** – Such sum as may be necessary for the implementation of this Act shall be taken from the current fiscal year appropriations of the Department of Transportation and Communications (DOTC). Thereafter, the amount needed for the operations and maintenance of the DITC shall be included in the General Appropriations Act.

SEC. 17. **Repealing Clause.** – All laws, decrees, executive orders, rules and regulations, and other issuances or parts thereof which are inconsistent with this Act are hereby repealed, amended or modified accordingly.

SEC. 18. **Effectivity.** – This Act shall take effect after fifteen (15) days following its publication in two (2) national newspapers of general circulation.

Approved,