

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

~~Fourteenth Congress~~
First Regular Session

House Bill No. **4440**

INTRODUCED BY REPRESENTATIVES RENATO J. UNICO, JR., ENRIQUE M. COJUANGCO, ROBERTO V. PUNO, LUCY T. GOMEZ, EDWIN DL. OLIVAREZ, LEOPOLDO N. BATAOIL, MARK AERON H. SAMBAR, RANDOLPH S. TING, ARNEL U. TY, EMMELINE Y. AGLIPAY, CESAR G. JALOSJOS, SETH FREDERICK P. JALOSJOS, EDUARDO R. GULLAS, MONIQUE YASMIN Q. LAGDAMEO, RAYMOND V. PALATINO, AMADO S. BAGATSING, ROGER G. MERCADO, AND CARMELO F. LAZATIN

EXPLANATORY NOTE

Like every legislative measure enacted by Congress, this measure which seeks to revise the charter of the Philippine Sports Commission (PSC), has for its object, the need to respond to current challenges affecting sports in the Philippines.

Under existing laws, there are no clear delineating boundaries, and no complimentary linkages either, as regards the sports programs undertaken by local government units, academic institutions and even with those of the numerous sports associations themselves. There is, therefore a palpable lack of coherence of both vision and strategy in sports resulting in the country's inability to maximize the citizenry's potential for sports excellence both domestic and international. Without the remarkable performance of a number of individual athletes who have excelled in their field, the country's success in international competitions has been quite conservative in recent years. Aggravated by the fact that our financial resources are quite limited, there must be unanimity and cohesion in vision and strategy to compliment our lack of material resources by strengthening our existing institutions like the PSC, in achieving its goals.

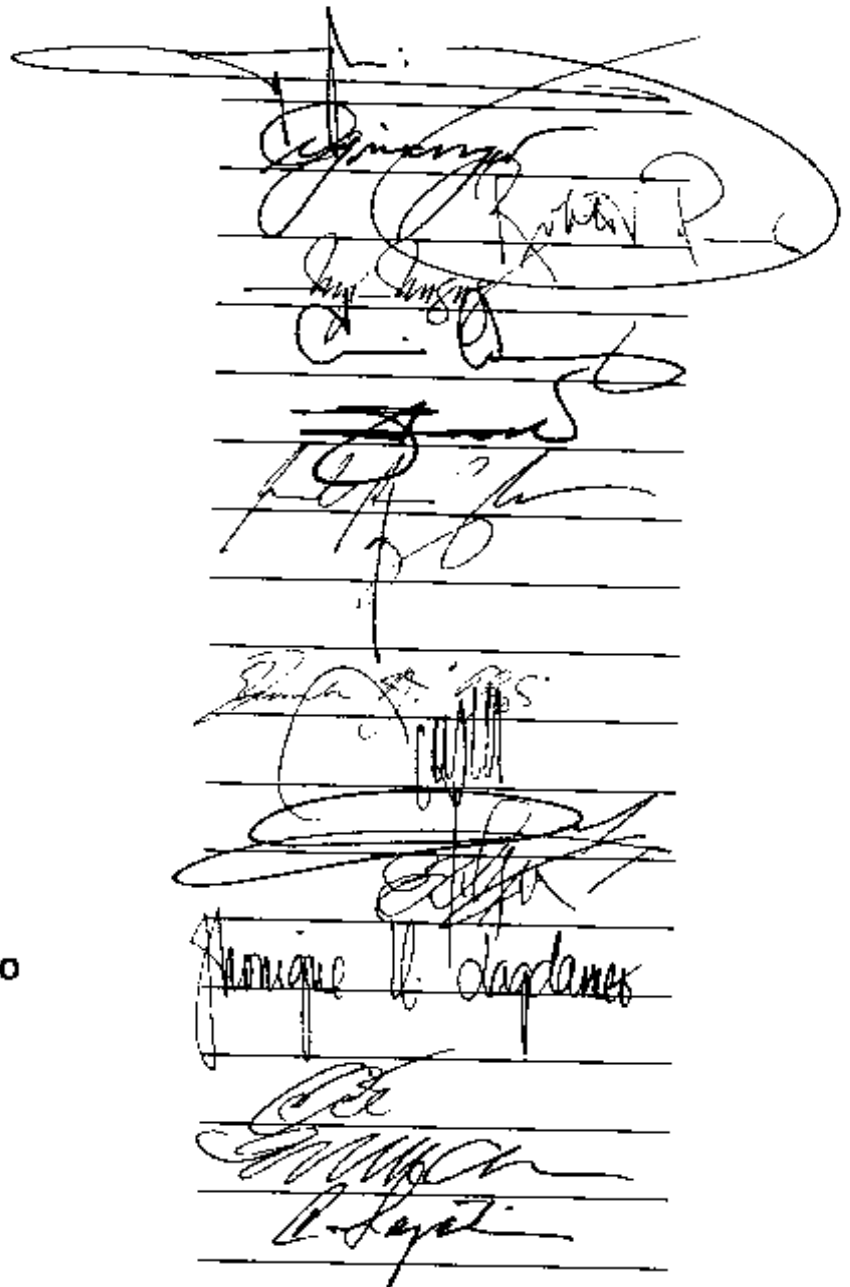
Apart from clearly defining its sources of funds, this measure endeavors to delineate the sports programs of local government units, academic institutions and strengthened accountability of the various national sports associations to enable them to contribute significantly to the PSC's effort to select the best among aspiring athletes and considerably increase our chances in international sports competitions and events. The measure likewise seeks to clarify once and for all the use and control of sports facilities maintained by local government units.

On the administrative aspect of the measure, it also defines the co-terminus nature of the appointments of the heads of the Commission to enable the President to appoint trusted and qualified executives who share his vision in sports. By way of strengthening existing sports

Associations, national sports associations are now required to register their organizations in order to foster greater accountability in the utilization of government's resources.

The complimentary relationship between the PSC and POC has also been given focus by the measure. The same has the unified goal of selecting our best athletes from the grassroots levels, harnessing their potentials by providing the means and facilities for training, and ultimately assisting them in international events and competitions. With the current amendments contained in this proposed measure, it is envisioned that the declared policy may reasonably be achieved, that is, not only for the development of a healthy and alert citizenry but also to give pride, honor and glory of the country through a unified national sports promotion and development program.

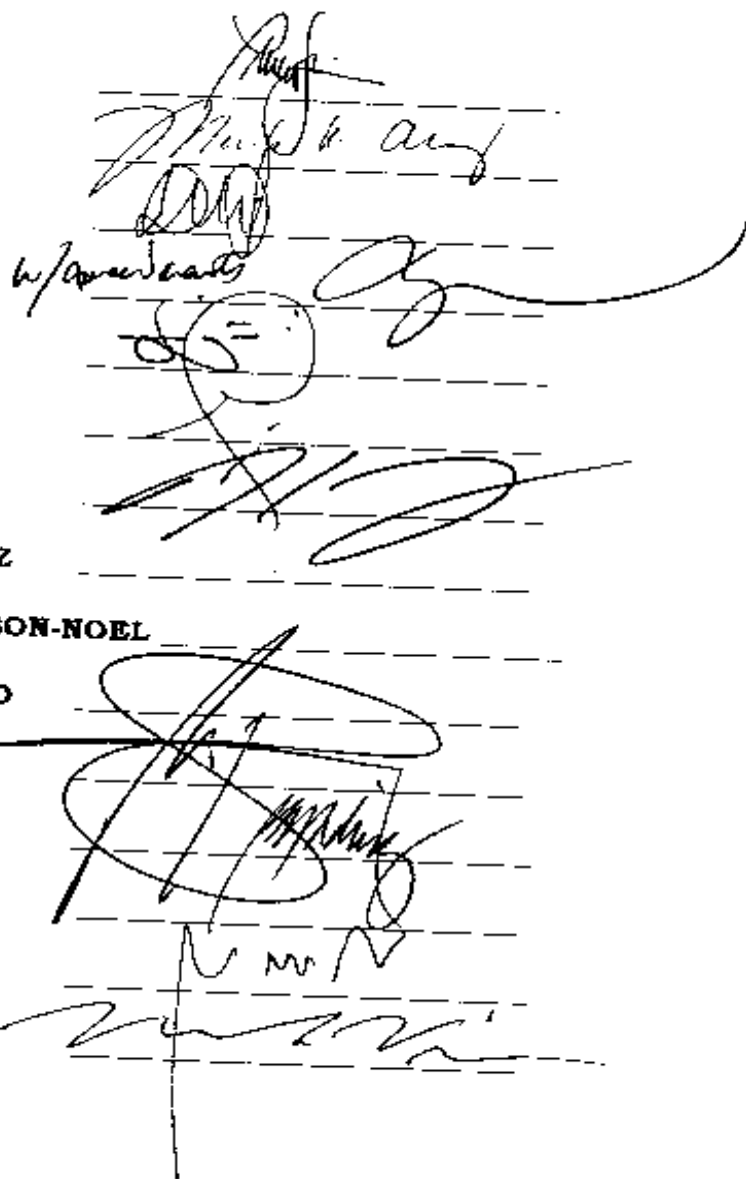
HON. RENATO J. UNICO, JR.
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SIGNATURE SHEET FOR HB NO. **4440**

"AN ACT PROMOTING THE DEVELOPMENT OF SPORTS IN THE COUNTRY,
REVISING FOR THE PURPOSE REPUBLIC ACT NO. 6847, OTHERWISE KNOWN
AS THE "PHILIPPINE SPORTS COMMISSION ACT" AND FOR OTHER
PURPOSES"

HON. PEDRO B. ACHARON, JR.
HON. MERCEDES K. ALVAREZ
HON. DIOSDADO M. ARROYO
HON. JUAN EDGARDO M. ANGARA
HON. JOSEPH VICTOR G. EJERCITO
HON. ERICO BASILIO A. FABIAN
HON. WILFRIDO MARK M. ENVERGA
HON. ALFREDO ABELARDO B. BENITEZ
HON. JOSEPHINE VERONIQUE R. LACSON-NOEL
HON. MONIQUE YASMIN Q. LAGDAMEO
HON. MARK LLANDRO L. MENDOZA
HON. RUFUS B. RODRIGUEZ
HON. SIGFRIDO R. TINGA
HON. LUIS R. VILLAFUERTE
HON. MARK A. VILLAR

The right side of the document contains handwritten signatures corresponding to the names on the left. The signatures are written in black ink on a background of horizontal dashed lines. The signatures vary in style, with some being more legible and others being more stylized or cursive. The names of the representatives are listed on the left, and the signatures are placed to the right of each name, with some signatures spanning across multiple lines.

Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City

FIFTEENTH CONGRESS
First Regular Session

House Bill No. **4440**

Introduced by: Hon. Renato J. Unico, Jr.

AN ACT
PROMOTING THE DEVELOPMENT OF SPORTS IN THE COUNTRY,
REVISING FOR THE PURPOSE REPUBLIC ACT NO. 6847, OTHERWISE
KNOWN AS THE "PHILIPPINE SPORTS COMMISSION ACT" AND FOR
OTHER PURPOSES

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

Section 1. *Title of the Act.* - This Act shall be known as "*The Revised
Philippine Sports Commission Act of 2011*"

Section 2. *Declaration of Policy.* - It is 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 not only for the development of a healthy and alert citizenry but also for the pride, honor and glory of the country through a unified national sports promotion and development program. The establishment and creation of a single, unified and integrated national sports policy-making body shall further this objective.

Section 3. *Strengthening the Philippine Sports Commission.* - The Philippine Sports Commission, a body corporate, hereinafter referred to as the Commission, established under Republic Act No. 6847 is hereby reorganized and strengthened to more vigorously promote the development of sports in the country.

Section 4. *Status of the Commission.* - The Commission shall remain a national governmental regulatory agency attached to the Office of the President.

Section 5. *Nature of the Commission.* - The Commission shall exercise corporate powers. It shall have a seal, may sue and be sued, and shall be the sole policy-making and coordinating body of all sports development programs and institutions in the Philippines: *Provided, That* school sports development program, physical education and school-based

sports activities shall be formulated and implemented by the Department of Education (DEPED) and the Commission on Higher Education (CHED) in their respective jurisdictions with the assistance of the Commission, in coordination with the Philippine Olympic Committee (POC), within the framework of the national sports development program: *Provided, further,* That community-based sports and related activities shall be primarily managed by the local government units (LGUs).

Section 6. *Objectives of the Commission.* — The objectives of the Commission are:

(a) To provide the leadership, formulate the policies and set the priorities and direction of all national sports promotion and development, particularly giving emphasis on grassroots participation;

(b) To encourage wide participation of all sectors, government and private, in sports promotion and development; and

(c) To supplement government appropriations for sports promotion and development.

Section 7. *Functions of the Commission.* — The Commission shall have the following functions:

(a) Plan, implement and oversee an integrated national sports promotion and development program for the country, in coordination with various sectors involved in sports, especially the POC, the national sports associations, the public and private schools, LGUs, and other sports organizations and private corporations that shall help in the attainment of sports excellence;

(b) Establish and maintain linkages with international sports associations, national sports commissions or organizations of other countries, and international nongovernmental organizations whose main objective is sports promotion and development;

(c) Prioritize specific sports and activities where resources for incentives, support and trainings may be strategically channeled and sustained;

(d) Plan and oversee a program to enable the Philippines to bid for and to host the Olympic Games, Asian Games, Southeast Asian Games and other international sports competitions in close coordination with the POC;

(e) Establish, develop and maintain fully-equipped sports facilities and centers in strategic places in the country and, as far as practicable, such modern sports complexes adequate for major international competitions;

(f) Rationalize and regulate the establishment of publicly-funded sports complexes and supervise the management and maintenance thereof, excluding school or college-owned sports complexes;

(g) Plan and formulate programs and review or evaluate, from time to time, the organizational set-up, projects and programs of the Commission;

(h) Develop and promulgate rules and regulations to implement this Act, including rules to delineate and define areas of responsibilities of all sectors involved in sports promotion and development, respecting the individual set-up, priorities, structure and competence of the different government and private institutions;

(i) Assist the proper government agency in the formulation of an industry incentives program for the manufacture in the Philippines of sports equipment and supplies of international standard in quality;

(j) Provide such incentives, recognition and awards to deserving national sports associations, athletes, referees, game officials, coaches, trainers and other persons or entities involved in or supporting national sports development;

(k) Recommend and propose to the DEPED, CHED, Department of the Interior and Local Government (DILG), LGUs and other government agencies and instrumentalities having sports programs, to incorporate in their respective annual budgets, a separate and specific budget for sports promotion and development;

(l) Conduct basic and applied research on sports development;

(m) Conduct promotion and fund-raising campaigns in accordance with existing laws to achieve the purposes of the Commission and in coordination with the POC on the fund-raising activities the POC may conduct for the training of athletes and their participation in international sports competitions;

(n) Encourage, promote and sustain the creation and establishment of regional, provincial, municipal, city and barangay sports promotion and development councils which shall initiate, conduct and coordinate sports activities in their respective jurisdictions in accordance with existing laws;

(o) Assist LGUs in promoting sports at the community level, especially those included in the calendar of events of national and international competitions, in coordination with the POC;

(p) Institute, in coordination with the POC, a more comprehensive, regular performance evaluation of national athletes aimed at facilitating the adequate preparation and the prompt and careful selection of athletes

who shall participate in international competitions, as well as in developing and training young potential athletes to be included in the national training pool; and

(q) Exercise such other acts as are incidental to or are appropriate and necessary in connection with the creation of the Commission.

Section 8. *Composition of the Commission and Term of Office.* — The Commission shall be composed of a Chairperson and four (4) Commissioners, all of whom shall be appointed by the President: *Provided*, That two (2) of the Commissioners shall be chosen from a list of recommendees submitted by the POC. The Chairperson, whose rank shall be equivalent to a department secretary shall concurrently act as the Presidential Adviser on Sports, and the four (4) Commissioners shall have the rank of undersecretaries.

The term of the Chairperson and the four (4) Commissioners shall be co-terminus with the appointing President: *Provided, however*, That they shall remain in office until their replacements shall have been appointed.

In case of death, resignation, separation or removal from service, or any permanent disability which renders the Chairperson or any of the Commissioners ineffective to discharge his or her functions, the vacancy shall be immediately filled up: *Provided*, That the new appointee shall serve only the unexpired portion of the term.

Section 9. *Qualifications of the Chairperson and the Commissioners.* The Chairperson and the Commissioners of the Commission must be natural-born citizens of the Philippines, publicly-recognized personalities in the field of sports, at least thirty (30) years of age and of good moral character.

Section 10. *Salaries of the Chairperson and Commissioners.* — The Chairperson shall be entitled to an annual compensation and other benefits and privileges received by a department secretary. The commissioners shall also be entitled to an annual compensation and other benefits and privileges received by undersecretaries.

Section 11. *Powers of the Commission.* — The Commission has the power to do all acts and things necessary to be done for or in connection with the performance of its functions, including:

(a) To appoint the officers and other personnel of the Commission and fix their compensation subject to existing laws, rules and regulations;

(b) To delegate authority for the performance of any function to officers and employees under its direction;

- (c) To enter into contracts;
- (d) To acquire, use and control any land, building, facilities, equipment, instruments, tools and ~~rights required or otherwise~~ necessary for the accomplishment of the purposes of the Commission;
- (e) To acquire, own, possess and dispose of any real or personal property;
- (f) To procure sportswear, equipment, instruments, tools and other sports necessities required by the national pool of athletes;
- (g) To assist and support national sports associations in the implementation of Section 13 of this Act;
- (h) To confer, extend and grant awards, benefits and privileges to national athletes, including the differently-abled national athletes, coaches and officials for outstanding performances in national and international competitions;
- (i) To confer, extend and grant financial support or other forms of assistance to national sports associations which are in good standing with the Commission and the POC;
- (j) To exercise supervisory and visitorial powers over the national sports associations in connection with their sports promotion and development programs with respect to which financial assistance is extended by the Commission;
- (k) To accept donations, gifts, bequests, and grants for the purposes of the Commission;
- (l) To ensure the implementation by various government departments and agencies of their sports promotion and development programs as indicated in their respective annual budgets;
- (m) To impose sanctions upon any national sports association, institution, association, body, entity, team, coach, trainer, athlete and sports official for violation of its policies, rules and regulations: *Provided*, That any such sanction shall not run contrary to the Olympic principle of non-intervention by government in sports;
- (n) to accredit and classify all sporting venues and facilities with regard to quality and standards; and
- (o) To perform any and all other acts incidental to or required by virtue of its creation.

Section 12. *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 POC shall maintain its primary responsibility for activities pertaining to the country's participation in the Olympic Games, Asian Games, Southeast Asian Games and other international sports 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 13. *National Sports Associations.* - The national sports associations, organized for their respective sports in the Philippines and recognized as such by the POC and affiliated with their respective international federations which are recognized by the International Olympic Committee shall be recognized as such by the Commission.

The national sports association recognized by the Commission shall be autonomous and shall have exclusive technical control over the promotion and development of the particular sport for which they are organized, subject however to the supervisory and visitorial powers of the Commission, as provided in Section 11, paragraph (j) hereof.

Each national 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 a voting member of a national sports association unless sixty percent (60%) of the athletes composing said team school, club, organization or entity are Filipino citizens.

The Commission recognizes the following functions, powers, duties and responsibilities of the various national sports associations:

- (a) To adopt a Constitution and By-Laws not inconsistent with the Constitution and By-Laws of the Philippine Olympic Committee and to register with the Securities and Exchange Commission (SEC) in accordance with Philippine laws;
- (b) To raise funds by donations, benefits and other means for their purposes;
- (c) To purchase, sell, lease or otherwise encumber property, real or personal, for the accomplishment of their respective purposes;
- (d) To affiliate with international or regional sports associations;
- (e) To conduct competitions for the promotion of their respective sports;

(f) To appoint their representatives to the Philippine Olympic Committee in accordance with the POC constitution and by-laws , rules and regulations;

(g) To decide all questions on the membership status and discipline of the athletes and officials connected with their respective national sports associations as well as the members thereof and all disputes between members in accordance with the POC constitution and by-laws, rules and regulations;

(h) To adopt, in coordination with the POC, a training program for the development of the athletes and their preparation for international competitions;

(i) To 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 , in coordination with the POC;

(j) To 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 POC and the Commission;

(k) To qualify, train and certify coaches, referees, umpires, judges and other technical officials who shall participate or officiate in competitions in their respective sports; and

(l) To perform such other acts as may be necessary for the proper accomplishment of their purposes.

Section 14. *Executive Director and Deputy Executive Directors.* — The Chairperson shall appoint an Executive Director, preferably from among the four (4) Commissioners. The Executive Director shall direct and supervise the day-to-day operations of the Commission and shall have supervision and control over the bureaus as may hereafter be created by the Commission. The Chairperson shall also appoint the Deputy Executive Directors who shall head the bureaus. The Executive Director, if not a Commissioner appointed by the President, and the Deputy Executive Directors shall serve at the pleasure of the Chairperson.

Section 15. *Qualifications of Executive Director and Deputies.* - No person shall be appointed an Executive Director or Deputy Executive Director of the Commission unless he or she is a Filipino citizen, at least thirty (30) years of age, of good moral character, a college graduate and has at least five (5) years experience in sports administration.

Section 16. *Functions and Responsibilities of Officers and Staff.* - The Finance and Administrative Services Bureau shall be primarily

responsible for providing services related to financial management, personnel, records, supplies and equipment. The Coordinating Secretariat and Support Services Bureau shall be primarily responsible for plans and ~~programs~~ formulation, research, ~~EDP and system management~~, public information and production, transportation, communications and such other functions and responsibilities as may be necessary and required by the Commission. Each bureau shall be headed by a Deputy Executive Director.

Section 17. *Appointment of Staff and Employees of the Commission.* — The staff, officers and employees of the Commission shall be appointed by the Chairperson of the Commission.

Section 18. *Tax Exemption on the Use of Sports Facilities.* — To encourage popular participation in sports, no tax of any kind shall be levied on the use of sports facilities accredited by the PSC, whether the tax be on the user, owner or operator of the sports facility.

Section 19. *Tax Exemption of the Commission.* — The Commission shall be exempted from the payment of customs duties, taxes and tariffs on the importation of sportswear, equipment, supplies, instruments and materials, including those donated to the Commission 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 or training of the national pool of athletes. The importation of sportswear, equipment, supplies, instruments and materials by the POC, including those donated to it and to the various national sports associations as certified under oath by the Commission as 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 20. *Tax Deduction or Exemption of Donations and Contributions.* — All donations and contributions to the Commission and the POC in connection with their respective fund-raising projects and 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 POC and the various national sports associations certified by the Commission 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 21. *Travel and Airport Tax Exemptions.* — The Commission and the delegations or representatives of the POC 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, airport tax and any other travel related taxes or fees now or hereafter imposed by law or regulation.

Section 22. *Presidential Grants.* — The provisions of any existing law to the contrary notwithstanding, the President may grant by donation, sale, lease or otherwise, to the Commission portions of the land of the public domain as may be necessary for the establishment of sports training centers in the country and such other facilities that may be maintained and used by the commission for the training and development of athletes and for the accomplishment of any of its purposes.

Section 23. *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 except liabilities, shall be transferred to the Commission: *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 : *Provided, further*, That the management and full control of all the land, buildings, equipment and other improvements thereon of the Rizal Memorial Sports Complex, and the Quezon City Velodrome shall remain with the Commission.

The Commission shall continue to have full control and management of the University of Life (UL) Sports Complex and shall have full use of and access to the facilities of the sports complex. The UL sports complex include: (a) sports facilities consisting of grandstands, tennis and basketball courts, stadium oval and track and field, swimming pools, pool grandstand and viewing rooms, and related equipment and accessories; (b) ten (10) dormitory buildings, nos. A to J; (c) substations, air-conditioning building, control rooms, switch houses and light towers, centralized air-conditioning system, standby generators and PABX telephone system; and (d) all other sports-related equipment and support facilities.

Section 24. *Assistance by the Government Entities.* — The Commission 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 Commission to ensure the attainment of its objectives and the success of the national sports development program.

Section 25. *Funding.* — To finance the country's integrated sports development program, including the holding of the national games and all other sports competitions at all levels throughout the country as well as the country's participation in international sports competitions, such as, but not limited to, the Olympic Games, Asian Games, Southeast Asian Games, and all other international sports competitions, sanctioned by the International Olympic Committee and the International Federations, thirty percent (30%) representing the charity fund of the proceeds of at least one (1) sweepstakes and lotto or lottery draws per month or five

Hundred Million Pesos (PHP 500 million) annually, whichever is higher, of the Philippine Charity Sweepstakes Office (PCSO), taxes on horse races from at least one (1) horse racing day per month to be determined jointly by the Philippine Racing Commission and the Commission at the start of each year, five percent (5%) of the total gross income of the Philippine Amusement and Gaming Corporation (PAGCOR) to be computed after the franchise tax shall have been deducted or at least One Billion Pesos (PHP 1.0 billion) annually, whichever is higher, and the proceeds from the sale of stamps as hereinafter provided, shall be automatically remitted directly to the Commission and are hereby constituted as the National Sports Development Fund. Further, the Philippine Postal Service Corporation is hereby authorized to print paper and gold stamps which shall depict sports events and such other motif as the Philippine Postal Service Corporation may decide, at the expense of the Commission.

Any deficiency in the financial requirements of the Commission for its sports development program shall be covered by an annual appropriation passed by Congress: *Provided*, That the operating expenses for the Commission itself shall not exceed twenty percent (20%) of the annual appropriation: *Provided, further*, That eighty percent (80%) of said annual appropriation and all of the National Sports Development Fund, as herein provided, shall be disbursed for the national sports development program, particularly, in support of the identification, recruitment and training of athletes in pre-regional, regional, national and international competitions.

Section 26. *Transitory Provision.* - Upon approval of this Act, the incumbent Chairperson and the four (4) Commissioners appointed by the President shall continue in office until the expiration of their term as provided herein.

Further, the incumbent Executive Director, Deputy Executive Directors, staff, officers and employees of the Commission shall likewise continue in office, unless they are sooner removed for cause or become incapacitated to discharge the duties of their office.

Section 27. *Repealing Clause.* — RA 6847 is hereby repealed. 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 28. *Separability Clause.* — If any provision of this Act is declared unconstitutional, the same shall not affect the validity and effectivity of other provisions hereof.

Section 29. *Effectivity.* — This Act shall take effect fifteen (15) days after its publication in a newspaper of general circulation.

Approved.