

Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City

Sixteenth Congress
First Regular Session

HOUSE BILL NO. 57



Introduced by: Hon. EMMANUEL D. PACQUIAO

AN ACT
AMENDING REPUBLIC ACT NO. 6847, OTHERWISE KNOWN AS
"THE PHILIPPINE SPORTS COMMISSION ACT"

EXPLANATORY NOTE

On 24 January 24 1990, Congress approved Republic Act No. 6847, or the law creating the Philippine Sports Commission (PSC). Today, more than twenty years or two decades have passed since said landmark legislation was passed, it is high time we make an assessment of the performance of this sports agency and further enhance its capabilities and interventions, in the highest interest of Philippine sports.

Considering that during the past two decades, several Executive Issuances and other laws on physical fitness and sports development have been issued and approved, it becomes imperative that we also take a closer look and update all these in relation to the mandate of the PSC.

With respect to the international arena, there are new programs being implemented by the International Olympic Committee and that there are new international policies, rules and regulations directly affecting our national sports program in that we need to likewise update our own national laws to adapt to these new developments in the field of sports. For example, whereas before there was a clear distinction between amateur and professional athletes but today, such distinction no longer seems to exist.

In the PSC charter, there seems to be a gray area particularly on the computation of the actual share of the Commission from other government agencies or corporations, particularly those funds coming from the Philippine Amusement and Gaming Corporation (PAGCOR), the Philippine Charity Sweepstakes Office (PCSO), and the Philippine Postal Service Office (PPSO), among others.

As an oversight function, it is the duty of Congress to, once and for all, settle these legal ambiguities and amend the concerned provisions with the end in view of providing a bigger funding allocation to our country's integrated national sports program to ensure a brighter future for Philippine sports to benefit future generations.

Time and again we have witnessed the need for continuity and professionalization in the management of a long-term integrated national sports program synchronized for both the local or community-based physical fitness and sports development and that of the international programs set by the International Olympic Committee.

There is therefore a need to fix the term of office of its Chairman and its four (4) Commissioners, redefine its vision and mission, if necessary, and ensure the proper coordination and linkages with all concerned stakeholders, especially with all local government units (LGUs) and the members of the National Physical Fitness and Sports Development Council (NPFSDC), particularly with the Philippine Olympic Committee (POC), National Sports Associations (NSAs), including the Athletes and Coaches' Alliance of the Philippines.

For a long time, our LGUs have been longing for a program that will institutionalize and guarantee continuity as they each implement their respective local sports programs. Under the 1991 Local Government Code, the LGUs are mandated to conduct an annual *Palarong barangay*, *Palarong pambayan*, *Palarong panlungsod* and *Palarong panlalawigan*.

Unfortunately, there is no national program that will provide the venue and impetus where the outstanding local athletes can compete amongst themselves. Such national competition, which should be institutionalized, can be a rich and potent source of new raw talents for future sports heroes badly needed by our country.

We therefore need to ensure that there is a bright future that awaits their local athletes whom the PSC and NSAs can identify, recruit, train and provide with top caliber coaches, supply them with the proper training equipment, make available adequate resources, grant them the due recognition, benefits and incentives, and give them the necessary exposure and opportunities in national and international sports competitions.

On the other side of the coin, we need to ensure that the national athletes and coaches have proper representation in the formulation of national policies, programs and projects intended for them by the Commission in order to make it more effective, responsive and successful. The PBA partylist will be the voice of the athletes in the lawmaking arena of the Philippines. It is about time that their voices are indeed heard, protected, respected and adopted.

We, therefore, strongly urge the passage of this vital and fundamental legislation amending certain provisions of R.A. 6847, otherwise known as the "Philippine Sports Commission Act of 1990" if only to clearly provide the right path and direction for Philippine sports.



HON. EMOUEL D. PACQUIAO

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

Fifteenth Congress
First Regular Session

House Bill No. _____

57

Introduced by: Honorable EMMANUEL D. PACQUIAO

**AN ACT AMENDING REPUBLIC ACT NO. 6847, OTHERWISE KNOWN AS "THE
PHILIPPINE SPORTS COMMISSION ACT"**

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

SECTION 1. Section 2 of Republic Act No. 6847, otherwise known as the

"Philippine Sports Commission Act" is hereby amended to read as follows:

"Sec. 2. Declaration of Policy. It is the policy of the state to promote **THE UNESCO'S POLICY OF "SPORTS FOR ALL"** [physical education,] encourage and sustain the development of **PHYSICAL FITNESS AND** 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 AND HONOR OF THE COUNTRY, AND TO PROMOTE PHYSICAL EDUCATION, LEAGUE COMPETITIONS, AND AMATEUR SPORTS, INCLUDING TRAINING FOR INTERNATIONAL COMPETITIONS, AS MANDATED UNDER ARTICLE XIV, SECTION 19 (1) OF THE 1987 PHILIPPINE CONSTITUTION."** 14

Sec. 2. Section 4 of the same Act is hereby amended to read as follows:

"Sec 4. Status of the Commission. - The Commission shall have the same status as that of a governmental regulatory national agency attached to the Office of the President with the Chairman thereof being of the same level as a department undersecretary **AND CONCURRENTLY ACT AS THE PRESIDENTIAL ADVISER ON SPORTS**, and the Commissioners that of department assistant secretaries."

Sec. 3. Section 5 of the same Act is hereby amended to read as follows:

"Sec. 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 PHYSICAL FITNESS, amateur AND IOC-SANCTIONED sportsdevelopment programs and institutions in the Philippines, IN COORDINATION WITH THE PHILIPPINE OLYMPIC COMMITTEE (POC): *Provided, That in the case of the*

(a) school sports programs, PHYSICAL EDUCATION, AND SCHOOL-BASED SPORTS ACTIVITIES, the same shall be formulated and implemented by the Department of Education (DEPED), [Culture and Sports (DECS)], AND THE COMMISSION ON HIGHER EDUCATION (CHED), BY VIRTUE OF ARTICLE XIV ,SECTION 19 (2) OF THE 1987 PHILIPPINE CONSTITUTION THAT " ALL EDUCATION INSTITUTIONS SHALL UNDERTAKE REGULAR SPORTS ACTIVITIES THROUGHOUT THE COUNTRY IN COOPERATION WITH ATHLETIC CLUBS AND OTHER SECTORS;

(b) GRASS-ROOTS OR COMMUNITY-BASED PHYSICAL FITNESS AND SPORTS DEVELOPMENT PROGRAM, THE SAME SHALL BE FORMULATED AND IMPLEMENTED BY THE LOCAL GOVERNMENT UNITS (LGUS) IN THEIR RESPECTIVE JURISDICTIONS with the assistance of the Commission, IN COORDINATION WITH THE DEPARTMENT OF THE INTERIOR AND LOCAL GOVERNMENT (DILG) within the framework of the national PHYSICAL FITNESS AND sports development POLICY program". AND

(c) ELITE SPORTS PROGRAM FOR INTERNATIONAL COMPETITIONS, THE SAME SHALL BE FORMULATED AND IMPLEMENTED IN CLOSE COORDINATION WITH THE NATIONAL SPORTS ASSOCIATIONS (NSAs) AND THE ATHLETES AND COACHES ALLIANCE OF THE PHILIPPINES (ACAP);

Sec. 4. Section 6 of the same Act is hereby amended to read as follows:

"Sec. 6. Objectives of the Commission. - The objectives of the Commission are:

(i) To provide the leadership, formulate the policies and set the priorities and direction of all national PHYSICAL FITNESS and [amateur] sports promotion and development, particularly giving emphasis on grass-roots participation;

(ii) To encourage wide participation of all sectors, government and private, in **PHYSICAL FITNESS AND** [amateur] sports promotion and development; and

(iii) To supplement government appropriations for **PHYSICAL FITNESS AND** sports promotion and development"

SEC. 5. Section 7 of the same Act is hereby amended to read as follows:

"Sec. 7. Functions of the Commission - The Commission shall have the following functions:

(a) Plan, implement and oversee an integrated **NATIONAL PHYSICAL FITNESS, AND** [amateur] sports promotion and development program for the country, including the program [for the Decade of Physical Fitness and Sports: 1990-2000, **pursuant** to Presidential Proclamation No. 406] in coordination with various sectors involved in sports, including, among others, the Philippine Olympic Committee, the National Sports Associations, **PHILIPPINE SPORTS ASSOCIATION FOR THE DIFFERENTLY-ABLED (PHILSPADA)**, the public and private schools, government corporations and entities, the local governments, the Armed Forces of the Philippines, and other sports organizations **AND ASSOCIATIONS** and private corporations;

(b)XXXXX

(c)XXXXX

(d)XXXXX

(e)XXXXX

(f)XXXXX

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

(h)XXXXX

(i) Provide such incentives, recognitions and awards to deserving **NATIONAL SPORTS** associations (**NSAs**), athletes, referees, game officials, coaches, trainers and other persons or entities involved in or supporting sports development [as may be permissible under the rules of amateurism];

(j) Recommend and propose to the **DEPED**, [Department of Education, Culture and Sports,] CHED, Department of **THE INTERIOR AND** Local Government (**DILG**), **LGUs**, and **ALL** other **CONCERNED** government agencies and Instrumentalities having sports programs, to incorporate in their respective annual budgets, a separate and specific budget for **PHYSICAL FITNESS AND** sports promotion and development.

(k)X X X X X

(l)X X X X X

(m) Encourage, promote and sustain the creation and establishment of regional, provincial, CITY, municipal and barangay [or school district] **PHYSICAL FITNESS AND** sports[and] development councils (**PFSDCs**), **THE COMPOSITION OF WHICH IS ENUMERATED UNDER EXECUTIVE ORDER NO. 64, AS AMENDED** [composed of officials of the Department of Education, Culture and Sports, Department of Local Government, local government officials, and representatives of the private sector,] which shall initiate , conduct and coordinate **PHYSICAL FITNESS AND** sports activities in their respective jurisdiction, **AND ACT AS THE NATIONAL SECRETARIAT OF THE NPFSDC AND PROVIDE AN ANNUAL BUDGET FOR THIS PURPOSE; [and]**

(m-1) **DEVELOP AND ENSURE THE IMPLEMENTATION OF A MASTER PLAN FOR PHYSICAL FITNESS AND SPORTS DEVELOPMENT;**

(m-2) **ENSURE THE CONDUCT OF AN ANNUAL REGIONAL AND/OR CLUSTERSPORTS MEETS LEADING TO A NATIONAL SPORTS COMPETITION WHICH SHALL SERVE AS THE CULMINATING EVENT OF THE ANNUAL PALARONG BARANGAY, PALARONG BAYAN, PALARONG PANLUNSOD, AND PALARONG PANLALAWIGAN, AS MANDATED UNDER THE 1991 LOCAL GOVERNMENT CODE, FOR THE PURPOSE OF ESTABLISHING A REGULAR TALENT IDENTIFICATION AND RECRUITMENT PROGRAM, IN COORDINATION WITH THE LGUs, DepEd, DILG, POC, NSA's, ACAP AND OTHER STAKEHOLDERS. PROVIDED, THAT NATIONAL ATHLETES WHO ARE MEMBERS OF THE COMMISSION'S NATIONAL TRAINING POOL SHALL BE DISQUALIFIED FROM PARTICIPATING IN THE SAID COMPETITIONS TO ENSURE A LEVEL PLAYING FIELD FOR LOCAL ATHLETES;**

(m-3) **ENSURE THE INSTITUTIONALIZATION OF THE PHILIPPINE SPORTS INSTITUTE OR ACADEMY AND A SPORTS LIBRARY AND MUSEUM;AND**

(m-4) DISSEMINATE THE COMMISSION'S POLICIES, GUIDELINES, RULES AND REGULATIONS TO ALL STAKEHOLDERS TO ENSURE ITS IMPLEMENTATION BY ALL CONCERNED AGENCIES AND LGUs; AND

(n)XXXXX

Sec. 6. Section 8 of the same Act is hereby amended to read as follows:

Sec. 8. Composition of the Commission. — The Commission shall be composed of a [Chairman] CHAIRPERSON and four (4) Commissioners all of whom shall be appointed by the President. **THE PHILIPPINE OLYMPIC COMMITTEE, IN CONSULTATION WITH MEMBERS OF THE NATIONAL PHYSICAL FITNESS AND SPORTS DEVELOPMENT COUNCIL (NPFSDC), MAY SUBMIT A SHORT LIST OF RECOMMENDEES TO THE PRESIDENT.**

SEC. 7. A new section between Sections 9 and 10 of the same Act is hereby inserted to be denominated as Section 9-A to read as follows:

"Sec. 9-A. TERM OF OFFICE OF THE CHAIRPERSON AND COMMISSIONERS -THE CHAIRPERSON AND THE FOUR (4) COMMISSIONERS SHALL HOLD OFFICE FOR A TERM OF FOUR (4) YEARS AND MAY BE REAPPOINTED FOR A SECOND TERM:*PROVIDED*, THAT NO PERSON MAY SERVE FOR MORE THAN TWO (2) CONSECUTIVE TERMS.

UPON THE APPROVAL OF THIS ACT, THE CHAIRPERSON SHALL BE APPOINTED FOR A TERM OF SIX (6) YEARS. THE COMMISSIONERS APPOINTED UNDER THIS ACT SHALL HAVE STAGGERED TERMS TO ENSURE CONTINUITY OF ITS PROGRAMS AND ACTIVITIES, THE FIRST TWO (2) OF WHOM SHALL SERVE FOR A TERM OF SIX (6) YEARS AND THE OTHER TWO (2) FOR A TERM OF THREE (3) YEARS. THEREAFTER, THE NEXT COMMISSIONERS TO BE APPOINTED TO THE POSITION SHALL HAVE A TERM OF THREE (3) YEARS.

IN CASE OF A VACANCY, BY DEATH, RESIGNATION OR ANY DISABILITY WHICH WOULD RENDER A COMMISSIONER INEFFECTIVE TO DISCHARGE HIS OR HER FUNCTIONS, THE NEWLY APPOINTED COMMISSIONER SHALL SERVE ONLY THE UNEXPIRED PORTION OF THE TERM UNLESS REAPPOINTED."

Sec. 8. Section 9 of the same Act is hereby amended to read as follows:

"Sec. 9. Qualifications of the [Chairman] CHAIRPERSON and the Commissioners. -

The[Chairman] CHAIRPERSON and the Commissioners of the Commission must be citizens of the Philippines, publicly-recognized personalities in the field of sports, at least thirty (30) years of age, MUST BE ABLE TO READ AND WRITE and of good moral character. **PROVIDED, THAT THE CHAIRPERSON MUST HAVE MANAGERIAL AND ADMINISTRATIVE COMPETENCE."**

Sec. 9. A new section between Sections 10 and 11 of the same Act is hereby inserted to be denominated as Section 10-A to read as follows:

"Sec. 10-A. THE CHAIRPERSON AND THE COMMISSIONERS. - THE CHAIRPERSON BE THE CHIEF EXECUTIVE OFFICER OF THE COMMISSION. HE/SHE SHALL BE PRIMARILY RESPONSIBLE FOR DEVELOPING, PROMULGATING AND IMPLEMENTING POLICIES, RULES AND REGULATIONS AS ARE NECESSARY AND PROPER FOR THE ACCOMPLISHMENT OF THE PURPOSES AND OBJECTIVES OF THE COMMISSION.

THE CHAIRPERSON, WITH THE ASSISTANCE OF THE COMMISSIONERS, SHALL DETERMINE AND IMPLEMENT THE ORGANIZATIONAL STRUCTURE NECESSARY TO EFFICIENTLY AND EFFECTIVELY CARRY OUT THE FUNCTIONS OF THE COMMISSION.

THE CHAIRPERSON SHALL DESIGNATE EACH COMMISSIONER TO SUPERVISE THE FOLLOWING AREAS OF MANAGEMENT: FINANCE, ADMINISTRATION, OPERATIONS AND INTERNATIONAL AFFAIRS. HE SHALL LIKEWISE APPOINT THE OFFICERS AND OTHER PERSONNEL OF THE COMMISSION AND FIX THEIR COMPENSATION SUBJECT TO EXISTING LAWS, RULES AND REGULATIONS AND MAY DELEGATE AUTHORITY TO OFFICERS AND EMPLOYEES OF THE COMMISSION FOR THE PERFORMANCE OF ANY FUNCTION."

Sec. 10. Section 11 of the same Act is hereby amended to read as follows:

"Sec. 11. Powers of the Commission. - The Commission has the power to do all acts and things necessary do 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)] (a) 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;

(b)X X X X X

(C)X X X X X

!

(d)X X X X X

(e)X X X X X

(f)X X X X X X X

l.

(g) To assist and support national SPORTS associations in the implementation of Section 11 of this Act;

(h) To confer, extend and grant awards, benefits and privileges to athletes, **INCLUDING THOSE DIFFERENTLY-ABLED 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 **ONLY** to **NATIONAL** sports associations **DULY REGISTERED WITH THE SECURITIES AND EXCHANGE COMMISSION (SEC)** which are in good standing with the Commission **AND HAVE DULY SETTLED AND LIQUIDATED PREVIOUS FINANCIAL ASSISTANCE GIVEN TO THEM BY THE COMMISSION UNDER THIS ACT**;

(i-1) TO CONFER, EXTEND, AND GRANT FINANCIAL SUPPORT OR OTHER FORMS OF ASSISTANCE TO OTHER DESERVING SPORTS ASSOCIATIONS AND ORGANIZATIONS, INCLUDING ATHLETES, COACHES AND SPORTS OFFICIALS IN ACCORDANCE WITH THE GUIDELINES OF THE COMMISSION;

(j) X X X X X

(k) X X X X X

(l) To ensure the implementation by various government departments and agencies of their **PHYSICAL FITNESS AND** sports promotion and development programs as indicated in their respective annual budgets;

(m) To impose sanctions upon any national sport association, institution, body, entity, team, **COACH, TRAINER**, athlete and sports official, for **violation of** its policies, rules and regulations; **PROVIDED, THAT ANY SUCH SANCTIONS DO NOT RUN CONTRARY TO THE OLYMPIC PRINCIPLE OF GOVERNMENT INTERVENTION IN SPORTS**; and

(n)XXXXX

Sec. 11. Section 13 of the same Act is hereby amended to read as follows:

Sec. 13. National Sports Associations. — National sports associations, organized as the governing bodies for their respective sports in the Philippines **AND RECOGNIZED AS SUCH BY THE POC, DULY REGISTERED WITH THE SEC** and **[/or]** affiliated with their respective international federations [which are **AND/OR** recognized by the International Olympic Committee are **HEREBY** recognized and **ACCREDITED** as such by the Commission.

The national sports association recognized **AND ACCREDITED** by the Commission shall be autonomous and shall DETERMINE 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.] OF RA 6847.**

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 **REGISTER WITH THE SEC IN ACCORDANCE WITH**

APPLICABLE LAWS OF THE REPUBLIC OF THE PHILIPPINES AND adopt a Constitution and By-Laws not inconsistent with the **RULES AND REGULATIONS OF THE COMMISSION AND/OR THE** Constitution and By - Laws of the Philippine Olympic Committee; 30

(a-1) TO REGISTER WITH THE COMMISSION FOR ACCREDITATION AND RECOGNITION AS A NATIONAL SPORTS ASSOCIATION;

(a-2) TO LIQUIDATE FUNDS AND OTHER FORMS OF ASSISTANCE GRANTED BY THE COMMISSION UNDER THIS ACT WITHIN THE PRESCRIBED PERIOD TO BE DETERMINED BY THE COMMISSION BUT IN NO CASE EXCEEDING NINETY (90) DAYS. NON-LIQUIDATION OF SUCH,ASSISTANCE FROM THE COMMISSION SHALL DISQUALIFY THE NSA FROM RECEIVING OR QUALIFYING FOR A NEW ROUND OF FINANCIAL OR OTHER FORM OF ASSISTANCE FROM THE COMMISSION. ALL UNLIQUIDATED FINANCIAL ASSISTANCE RECEIVED PRIOR TO THE ENACTMENT OF THIS LAW SHALL STILL BE SUBJECT TO EXISTING ACCOUNTING AND AUDITING RULES AND PROCEDURES AND THE COMMISSION'S RULES AND REGULATIONS;

(b)X X X X X

(c)X X X X X

(d)X X X X X

(e)X X X X X

(f)X X X X X

(g) To 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, IN ACCORDANCE WITH THE CONSTITUTION AND BY-LAWS OF THE PHILIPPINE OLYMPIC COMMITTEE;

(h)X X X X X

(I)X X X X X

(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 Philippine Olympic Committee AND THE COMMISSION;

(k) To qualify and license COACHES, referees, umpires and other game officials who shall [officiate] PARTICIPATE in competitions in their respective sports; and"

(l)XXXXXX

Sec. 12. Section 14 of the same Act is hereby amended to read as follows:

"**Sec. 14. Executive Director.** — There shall be an Executive Director who shall be appointed or designated as such by the **CHAIRPERSON** [Chairman, preferably from among the four (4) Commissioners,] and shall **ASSIST THE CHAIRPERSON** IN THE direct [and supervise] -**SUPERVISION OF** the day-to-day operations of the Commission. The Executive Director shall **BE A CAREER OFFICER** [have supervision and control over the bureau on administrative services headed by a Deputy Executive Director and the bureau on coordinating secretariat and support services, offices and sections which shall likewise be headed by a Deputy Executive Director. The Deputy Executive Directors shall be appointed by the Chairman]."

Sec. 13. Section 15 of the same Act is hereby amended to read as follows:

"**Sec. 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 citizen of the Republic of the Philippines, at least twenty-five (25) years of age, of good moral character, a college graduate and has at least [five (5)] **THREE (3) years EXECUTIVE AND MANAGEMENT** experience [in sports administration]."

Sec. 14. Section 16 of the same Act is hereby amended to read as follows:

"**Sec. 16. [Functions and Responsibilities of Officers and Staff.** — The administrative services bureau shall be primarily responsible for providing services related to financial management, personnel, records, supplies and equipment, while the bureau on coordinating secretariat and support services 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.] **PHILIPPINE SPORTS COMMISSION SECRETARIAT. - THE COMMISSION SHALL HAVE A SECRETARIAT WHICH SHALL BE**

PRIMARILY RESPONSIBLE FOR PROVIDING THE SERVICES NECESSARY TO IMPLEMENT THE DUTIES, POWERS AND FUNCTIONS OF THE COMMISSION AS MANDATED UNDER THIS ACT."

Sec. 15. Section 17 of the same Act is hereby amended to read as follows:

"Sec. 17. **Appointment of Staff and Employees of the Commission.** — The staff, officers and employees of the Commission shall be appointed by the [Chairman] **CHAIRPERSON** of the Commission."

Sec. 16. Section 19 of Republic Act No. 6847 is hereby amended to read as follows:

Sec. 19. Tax Exemptions 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 and/or training of the national pool of athletes. The importation of sportswear, equipment, supplies instruments and materials donated to the Philippine Olympic Committee and, through the Commission, to the various national sports associations **AND THOSE MADE BY CORPORATIONS WHO HAVE SPONSORED FILIPINO NATIONAL ATHLETES AND/OR PARTICULAR SPORTS EVENTS**, certified under oath by the Commission 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

Sec. 17. Section 20 of the same Act is hereby amended to read as follows:

Sec. 20. Tax Deduction or Exemption of Donations and Contributions. — All donations and contributions to the Commission in connection with its fund-raising projects and its continuing **PHYSICAL FITNESS AND sports development** programs **AND THOSE FINANCIAL SPONSORSHIPS BY CORPORATIONS TO FILIPINO NATIONAL ATHLETES AND/OR PARTICULAR SPORTS EVENTS** 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/or 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.

Sec. 18. Section 21 of the same Act is hereby amended to read as follows:

"Sec. 21. Sports Delegations. - The Commission **AND THE OFFICIAL DELEGATIONS OF THE PHILIPPINE OLYMPIC COMMITTEE AND THE NATIONAL SPORTS ASSOCIATIONS** [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, airport tax and any other travel related taxes or fees now or hereafter imposed by law or regulation."

Sec. 19. A new section between Sections 23 and 24 of the same Act is hereby inserted to be denominated as Section 23-A to read as follows:

"SEC. 23-A. Rental Income. - ALL RENTAL INCOME FROM THE USE OF SPORTS EQUIPMENT AND FACILITIES OWNED AND OPERATED BY THE COMMISSION SHALL BE REMITTED DIRECTLY TO THE COMMISSION TO FORM PART OF ITS NATIONAL SPORTS DEVELOPMENT FUND AS PROVIDED FOR IN SECTION 26 of RA 6847."

Sec. 20. Section 24 of the same Act is hereby amended to read as follows:

"Sec. 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, **INCLUDING THE LOCAL GOVERNMENT UNITS**, 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 **PHYSICAL FITNESS AND** sports development program."

Sec. 21. Section 26 of Republic Act No. 6847 is hereby amended to read as follows:

"Sec. 26. Funding. — In order to provide the necessary funds required for the organizational and initial calendar year of operational expenditures of the Commission, the amount of Twenty-five million pesos (P25,000,000.00) from the National Treasury is hereby appropriated: Provided, That operating expenses for the Commission itself shall not exceed twenty percent (20%) of the annual appropriation and that at least eighty percent (80%) of said annual appropriation and all of the national sports development funds, as hereinafter provided, shall be disbursed for the national sports program, particularly in support of the identification, recruitment and training of athletes in pre-regional, regional, national and international competitions, including the implementation of the Decade of Physical Fitness and Sports: 1990-2000.

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 at international sports competitions, such as, but not limited to, the Olympic, Asian, and

Southeast Asian Games, and all other international competitions, sanctioned by the International Olympic Committee, and the International Federations, thirty percent (30%) representing the charity fund and proceeds of six (6) sweepstakes or LOTTO AND /OR OTHER lottery draws per annum OF THE PHILIPPINE CHARITY SWEEPSTAKES OFFICE (PCSO), taxes on horse races [during special holidays] FROM AT LEAST ONE (1) RACING DAY PER MONTH TO BE DETERMINED BY THE PHILRACOM AND THE COMMISSION, five percent (5%) of the gross income of the Philippine Amusement and Gaming Corporation (PAGCOR), TO BE COMPUTED AFTER THE FRANCHISE TAX SHALL HAVE BEEN DEDUCTED BUT PRIOR TO **DEDUCTING THE SHARE OF THE NATIONAL GOVERNMENT AND OTHER AGENCIES AS PROVIDED BY LAW**, the proceeds from the sale of stamps as hereinafter provided, and three percent (3%) of all taxes collected on imported athletic equipment shall be automatically remitted directly to the Commission **BY SUCH CONCERNED AGENCIES** and are hereby constituted as the National Sports Development Fund.

Further, the Philippine Postal Service Office is hereby authorized to print paper and gold stamps which shall depict sports events and such other motif as the Philippine Postal Service Office 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.

Sec. 22. 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.

Sec. 23. Separability Clause. — If any provision of this Act is declared unconstitutional, the same shall not affect the validity and effectivity of other provisions hereof.

Sec. 24. Effectivity. — This Act shall take effect after fifteen (15) days following its approval and publication in at least two (2) national newspapers of general circulation.

Approved.


Hon. EMMANUEL D. PACQUIAO