

REPUBLIC OF THE PHILIPPINES
HOUSE OF REPRESENTATIVES
Quezon City

SEVENTEENTH CONGRESS
Third Regular Session

House Bill No. 8457



Introduced by **MAGDALO Party-List Representative**
HON. GARY C. ALEJANO

EXPLANATORY NOTE

The National Printing Office, formerly known as the Bureau of Printing is one of the remaining century-old agencies that we have. It was created under Philippine Commission Act No. 296 on November 7, 1901.

The head of the Bureau of Public Printing was then called Public Printer and by virtue of the Philippine Commission Act No. 1417 issued on November 01, 1905 was changed to Director of Printing. It was renamed several times and transferred several times from one government agency to another.

Under Executive Order No, 28s issued by President Corazon C. Aquino on July 25, 1987, the National Printing Office was created and attached to the Philippine Information Agency. It was later attached to the Office of the Press Secretary. On October 25, 2004, President Gloria Ivlacapagal Arroyo issued Executive Order No. 378, identifying further the functions of the National Printing Office and relaxing the rule as to exclusivity of printing of materials from government agencies and allowing it to compete with the private sector. Government agencies can source their printing requirements outside of the National Printing Office when the printing services offered by the private sector is superior in quality and at a lower cost than what is offered by NPO and the private printing provider is flexible in terms of meeting the target completion time of the requesting agency.

The rationale of this proposal is to enhance the capability of the existing National Printing Office and converting it into a corporate entity to be known as the "National Printing Corporation". With a corporate personality, it can compete with private sector and work for the upgrade of its printing equipment and improve its printing technology.

The newly-invigorated National Printing Corporation will then be able to cope with the printing demands of various government agencies. With up-to-date equipment, it can improve its services and increase its revenues thereby benefiting our economy.

This bills has been previously filed in the 15th Congress by the late Rep. Pedro P. Romualdo.

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


Rep. Gary C. Alejano

1 d) **Standard Forms** — shall refer to prescribed forms being printed by the
2 Corporation of general use by any department of the national government, local government
3 units, or government owned or controlled corporations; and

4 e) **Printed Matters** — shall refer to other forms not falling under any of the
5 described forms.

6
7 **ARTICLE II - CREATION AND SITE OF PRINCIPAL OFFICE**
8

9 **Section 4. Creation.** — There is hereby created a body corporate to be known as the
10 "National Printing Corporation", which shall be attached to the Office of the Press Secretary,
11

12 **Section 5. Principal Office.** — The Corporation shall have its principal office in Quezon
13 City. It may also establish satellite branches to expedite the processing of requests from local
14 government units and other government agencies,
15

16 **ARTICLE III - FUNCTIONS, POWERS AND COMPOSITION OF BOARD OF**
17 **DIRECTORS**
18

19 **Section 6. Powers and Functions.** — The Corporation shall have the following powers and
20 functions:
21

22 a) To sue and be sued in its official name;

23 b) To enter into contracts, acquire, purchase, hold, lease, transfer or dispose of
24 property of any kind or nature necessary to carry out the purposes of this Act;

25 c) Receive and administer donations, contributions, grants, bequests or gifts in cash
26 or in kind from foreign governments, international agencies, private entities, and other
27 sources related to the upgrading of its printing equipment or rehabilitation of its facilities;

28 d) To adopt and use a corporate seal;

29 e) To determine and keep its own system of accounts following the generally
30 accepted principle of accounting, as well as the forms and contents of its contracts other
31 business documents;

32 f) To compete with the private sector on the bulk printing requirements of
33 government agencies and may accept other government printing jobs including publications and
34 information materials;

1 g) To acquire, in any lawful manner, such personal or real property; or any interest
2 therein, as it deems necessary or convenient in the transaction of its business; to hold,
3 maintain, sell, lease, or otherwise dispose of such property or any interest or charges
4 therewith; and

5 h) Discharge other functions which may be deemed necessary or as may be provided
6 by law related to the following specific functions:

7
8 i.) Printing, binding and distribution of all standard and accountable forms of
9 the national, provincial, city and municipal governments including
10 government owned or controlled corporations;

11 ii.) Printing of official ballots;

12 iii.) Printing of public documents such as the Official Gazette, General
13 Appropriations Act, Philippine Reports, and development information
14 materials of the Philippine Information Agency;

15
16 **Section 7. *Composition of the Board of-Directors.*** — The corporate powers of the
17 Commission shall be vested in and exercised by the Board of Directors. It shall be composed of
18 seven (7) members who shall be appointed by the President of the Philippines. The Board shall be
19 made up of the following:

20
21 a) Four (4) members from the Government Sector; two of whom shall have ten (10)
22 years technical and administrative experience in the publishing and mass media industry;

23 b) Two (2) members from the Private Sector; one WI of whom shall have at least (5)
24 years experience in the publishing and mass media industry;

25 c) One (i) member from the Academe, one of whom shall have at least five (5) years
26 experience and familiarity in the operations of the print and publishing industry;

27
28 The first three (3) Directors to be appointed shall have a term of four (4) years each. The
29 next two (2) Directors to be appointe d. shall have a term of three (3) years each and the remaining
30 two (2) Directors to be appointed shall have a term of two (2) years each. Thereafter, the
31 appointment shall be in accordance with the Corporation Law.

32
33 The Board shall elect a Chairman from among its members and shall meet regularly at least
34 twice a month and may hold special meetings to consider urgent matters upon the call of the
35 Chairman or the majority of its members. A majority shall constitute a quorum to transact business

1 and the vote of at least a majority of the members present at a meeting at which there is a quorum
2 shall be considered valid as a corporate act.

3
4 No member of the Board shall have financial, or a pecuniary interest, directly or indirectly,
5 in any business contract or transaction entered into by the Corporation or any privilege granted by
6 it. Neither shall a member have any interest, financial or otherwise, in any undertaking or business
7 with an inherent conflict of interest with the Corporation.

8
9 **ARTICLE IV — CAPITAL AND FISCAL, ADMINISTRATION**

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11 **Section 8. Capitalization.** — The authorized capital stock of the Corporation shall be One
12 billion pesos (P1,000,000,000.00) divided into One million (1,000,000) shares with a par value of
13 One thousand pesos per share, which shall be subscribed in full by the Government.

14
15 The initial paid-up capital shall be Two hundred million pesos (P250,000,000.00) which
16 shall be released from the funds of the Treasury upon the effectivity of this Act. The sums of Two
17 hundred fifty million (P250,000,000.00) pesos are authorized as paid-up capital in the General
18 Appropriations Act for the second and third years following the date of effectivity of this Act,
19 respectively.

20
21 The unpaid balance of the authorized capital stock shall be appropriated when deemed
22 necessary by Congress in the subsequent years.

23
24 **Section 9. Source of Funds.** — The following shall constitute the sources of funds against
25 which the operating expenses of the Corporation may be drawn:

26
27 a) All revenues from printing and allied services operated or rendered by the
28 Corporation, including remittances from agencies nationwide;

29 b) Proceeds of grants, donations, disposal of assets and sale of obsolete forms
30 and records, loans and other form of indebtedness entered into by the Corporation;

31 c) Interest which may be earned on investments;

32 d) Drawings on the capital or surplus of the Corporation.

33
34 **Section 10. Management of Funds.** — The Corporation may invest any of its funds not
35 immediately required to be expended in meeting its obligations or in the discharge of its functions,

1 in such secured notes, government securities, and other negotiable instruments that shall satisfy the
2 guidelines prescribed by the Board.

3
4 All funds of the Corporation shall be deposited in such commercial and universal banks as
5 may be accredited by the National Treasury as depository of government funds. The Board shall
6 designate the official signatories of the Corporation with regards to the deposit or withdrawal of the
7 Corporation's monies in such banks.

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9 **ARTICLE V — ADMINISTRATIVE PROVISIONS AND TAX EXEMPTIONS**

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11 **Section 11. *Record of Transaction.***— The Corporation shall keep proper accounts and
12 records of all its transactions and affairs, and shall exert all efforts to ensure that all payments made
13 out of its moneys are correctly made and properly authorized, and that adequate control is
14 maintained over the assets of, or in the custody of, the Corporation and the expenditures incurred by
15 the Corporation. The Corporation shall be subject to audit by the Commission on Audit.

16
17 **Section 12. *Exemption from Taxes, Customs and Tariff Duties.***—The importation of
18 printing equipment, machineries, spare parts, accessories, and other materials, including supplies
19 and services used directly in the operations of the printing system, not obtainable locally on
20 favorable terms, shall be exempt from all direct and indirect taxes, custom duties, fees, imports,
21 tariff duties, compensating taxes, wharfage fees and other charges and restriction, the provisions of
22 existing laws to the contrary notwithstanding.

23
24 All obligations entered into by the Corporation and any income derived therefrom, including
25 those contracted with private international banking and financial institutions shall be exempt from
26 all taxes on both principal and interest.

27
28 **Section 13. *Merit System.*** — All officials and employees of the Corporation shall be
29 selected and appointed on the basis of merit and fitness in accordance with civil service law, rules
30 and regulations. The recruitment, transfer, promotion, and dismissal of all its personnel including
31 temporary workers shall be governed by a merit system that will be established by the Corporation
32 in compliance with existing laws, rules and regulations.

1 **Section 14. Coverage from GSIS.** — All employees of the Corporation shall be deemed and
2 covered by the Government Service Insurance System and shall enjoy all the benefits provided
3 under this System.

4
5 **Section 15. Abolition of the National Printing Office.**—The National Printing Office,
6 formerly Bureau of Printing created on November 7, 1901 by the Philippine Commission Act No.
7 296, as amended by the Philippine Commission Act No 1417 is hereby abolished. All its
8 budgetary appropriations, finances, properties, records, equipment, rights, chooses in action, and
9 other assets as well as liabilities, are hereby transferred to the Authority.

10
11 All permanent officers and employees of the National Printing Office shall continue in
12 Office as officers and personnel of the Corporation except those appointed which shall be on hold-
13 over capacity until their successors have been appointed by the President. Permanent officials and
14 employees who choose to leave government service, or who prefer to retire, if qualified for
15 retirement, shall be given a Separation Incentive Package/Retirement Package, subject to existing
16 separation/retirement laws, rules and regulations.

17
18 **Section 16. Legal Counsel.** — The Office of the Government Corporate Counsel shall act as
19 the external legal counsel of the Authority before any court of law or any quasi-judicial bodies of
20 the government without prejudice of any deputation or designation that it may issue in favor of the
21 in-house counsel of the Corporation.

22
23 **Section 17. Repealing Clause.** — Executive Order No. 285 (s. 1987), as amended by
24 Executive Order No. 378 (2004) is hereby repealed. All laws, decrees, executive orders, rules and
25 regulations, or parts thereof inconsistent with or contrary to the provisions of this Act are hereby
26 repealed or modified accordingly.

27
28 **Section 18. Separability Clause.**— If any part or provision of this Act is held
29 unconstitutional or invalid, other parts or provisions thereof, which are not affected, shall continue
30 to remain in full force and effect.

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32 **Section 19. Effectivity.** — This Act shall take effect fifteen (15) days following the
33 completion of its publication in at least two (2) newspapers of general circulation,

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Approved,