

Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City

19TH CONGRESS
First Regular Session

HOUSE BILL NO. 5749



Introduced by Representative Michael L. Romero

EXPLANATORY NOTE

The **Philippine Textile Research Institute (PTRI)**, started as a joint project of the government and the private sectors to promote the development of the textile industry in the country.

- a) June 18, 1964 - The Congress passed R.A. 4086 "An act to promote the textile industry of the Philippines by exempting, under certain conditions, importation of needed materials, chemicals, dyestuffs and spare parts and the subsequent manufacture and sale of products derived therefrom, from duties and taxes, by creating a special fund for vital research and for other purposes". The law created a special textile research fund, which was derived from one percent of the gross sales of textile manufactures that registered for tax exemptions from 1964-1970.
- b) July 19, 1966 - The National Science and Development Board (NSDB) approved the formulation of a textile research program with functions, powers and duties in accordance with the objectives of R.A. 4086.
- c) January 3, 1967 - The NSDB formally established the PTRI as the agency to undertake the textile research program
- d) 1974 - The PTRI became one of NSDB's eight regular agencies by virtue of Presidential Decree No. 1 "Implementing the integrated reorganization plan of the executive branch of the Philippine government". Policies were formulated by an advisory committee composed of Textile Manufacturers of the Philippines (TMAP), Department of Agriculture and Natural Resources (DANR) and NSDB

- e) June 26, 1981 - The PTRI was transferred from NSDB to the Ministry of Trade and Industry (MTI) by virtue of Executive Order No. 700.
- f) January 30, 1987 - By virtue of Executive Order No. 128 the National Science and Technology Authority (NSTA), then NSDB was reorganized and provided among others, the return of PTRI from MTI to the NSTA now the Department of Science and Technology.

This House Bill seeks to provide **Modernization Funding** to the **Philippine Textile Research Institute (PTRI)**, to deliver our products and services in a manner that satisfies our customers. Thus, Customer service entails professionalism, technical competence, reliability and integrity in order to provide excellent service at all times

Thus, the early passage of this bill is earnestly requested.

A handwritten signature in black ink, appearing to read 'Michael L. Romero', with a long horizontal stroke extending to the right.

MICHAEL L. ROMERO

Republic of the Philippines
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AN ACT

PROVIDING FOR MODERNIZATION FUNDINGFOR THE
PHILIPPINE TEXTILE RESEARCH INSTITUTE (PTRI),
INCREASING AND REORGANIZING ITS ADMINISTRATION, TO
PROMOTE TECHNOLOGY AND INNOVATION FOR SUSTAINABLE
AND GLOBALLY COMPETITIVE PHILIPPINE TEXTILE, GARMENT
AND ALLIED INDUSTRIES AND FOR OTHER PURPOSES

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

SECTION 1. DECLARATION OF POLICY – It shall hereby be a declared policy of the State to mandate the **Philippine Textile Research Institute (PTRI)** as the premier textile research and development arm of the Department of Science and Technology (**DOST**), under Executive Order No. 128 dated January 30, 1987 to perform the following functions:

- a)** Conduct applied research and development for the textile industry sector;
- b)** Undertake the transfer of completed researches to end-users or via linkage units of other government agencies; and
- c)** Undertake technical services and provide training programs

The state shall continually improve the effectiveness of our Quality Management System towards equitable development for improved quality of life for all.

The state shall formulate policies for the efficient and effective administration and management of all manpower, skills and competencies to ensure compliance.

SECTION 2. MODERNIZATION FUNDING. – The amount of Five Hundred Million Pesos (**Php 500,000,000.00**) for the operation and administration of the **Philippine Textile Research Institute (PTRI)** shall be chargeable against funds for the purpose and other sources recommended by the **Department of Budget and Management (DBM)**. Thereafter, appropriations for the **Philippine Textile Research Institute (PTRI)** shall be included in the budget proposals under the Department of Science and Technology (**DOST**).

The Department of Budget and Management (**DBM**) shall rationalize the existing organizational structure and staffing pattern of the **Philippine Textile Research Institute (PTRI)** in accordance with the provisions of this Act and relevant compensation and position classification laws, rules and regulations.

Thereafter, the amount needed for the continued implementation of the modernization program, shall be included in the annual General Appropriations Act (**GAA**).

SECTION 3. PHILIPPINE TEXTILE RESEARCH INSTITUTE (PTRI) MODERNIZATION FUND – There is hereby created the (**PTRI**) *Modernization Fund* to be used exclusively for the (**PTRI**) *Modernization Program*.

The (**PTRI**) *Modernization Fund* shall be administered by the Secretary of the **DOST** in accordance with existing government budgeting, accounting and auditing rules and regulations.

SECTION 4. PROGRESS REPORT – The Secretary of **DOST** shall prepare an annual report on the status of the implementation of the **(PTRI)** *Modernization Programs* which shall be submitted, to the Office of the President and to the Chairpersons of the Committee on Science and Technology of the Senate and the House of Representatives.

SECTION 5. PERIOD OF IMPLEMENTATION – The modernization program under this Act shall be implemented for an initial period of two **(2)** years:

Provided, that payments for multi-year contract obligations incurred under this Act may extend beyond this period:

Provided, further, That the **Philippine Textile Research Institute (PTRI)** shall continue to develop, modernize and constantly update its operational capabilities to keep pace with best global practices.

SECTION 6. POWERS AND FUNCTIONS. – The **Philippine Textile Research Institute (PTRI)** shall continue to exercise and uphold the following powers and functions; but not limited to:

To support the Philippine textile, garment and allied micro-small and medium enterprises **(MSMEs)** achieve global competitiveness with unwavering commitment to work excellence and integrity, through:

- a)** Judicious utilization of textile-based resources;
- b)** Development and transfer of innovative technologies;
- c)** Enhancement of human resource capabilities; and
- d)** Promotion of quality assurance and quality control

SECTION 7. INCREASE OF PERSONNEL. – The **PTRI** shall maintain the sufficient staffing pattern. Hence, it is authorized to increase its manpower to meet such required and may continue to increase personnel per percentage rate increase of committed mandates annually or as the need arises.

SECTION 8. TRANSITORY PROVISION – Existing industries, businesses and offices affected by the implementation of this Act shall be given six **(6)** months transitory period from the effectivity of the IRR or such other period as may be determined, to comply with the requirements of this Act.

SECTION 9. IMPLEMENTING RULES AND REGULATIONS. – The departments and agencies charged with carrying out the provisions of this Act shall, within sixty **(60)** days after the effectivity of this Act, formulate the necessary rules and regulations for its effective implementation.

SECTION 10. REPEALING CLAUSE. – All laws, decrees, executive orders, rules and regulations, or parts thereof inconsistent with the provisions of this Act are hereby repealed or modified accordingly.

SECTION 11. SEPARABILITY CLAUSE. – If, for any reason, any section or provision of this Act is held unconstitutional or invalid, the other sections or provisions hereof shall not be affected thereby.

SECTION 12. EFFECTIVITY CLAUSE. – This Act shall take effect after fifteen (15) days from its publication in the Official Gazette or in at least two (2) national newspapers of general circulation whichever comes earlier.

Approved,