

SENATE
S.B. No. 1416



Introduced by Senator Loren Legarda

EXPLANATORY NOTE

This bill seeks to create a centralized, integrated, independent and autonomous government body that will oversee the growth and development of sports in the country today.

Section 19 Article XV of the 1987 Philippine Constitution provides that the State shall promote physical education and encourage sports programs, league competitions, amateur sports, including training for international competitions, to foster self-discipline, teamwork, and excellence for the development of a healthy and alert citizenry.

Despite the State policy and the existence of government agencies mandated to oversee the promotion and development of sports in our country, the state of sports in our country leaves much to be desired. Although there is no shortage of participation in several team and individual sports, the level of competition and competence created at all levels has lagged behind world class standards. Lack of innovative training methods, state-of-the art facilities, and modern equipment continues to undermine the potential of Filipino athletes. These, despite the fact that through the early part of the second half of the 20th century, our country was able to produce world-class talents in boxing, billiards, baseball, football/soccer, basketball, track and field, and swimming among popular sports like Lydia de Vega, Paeng Nepomuceno, Akiko Thompson, Elma Muros, Eric Buhain, Efren 'Bata' Reyes, and the pride of Philippine sports, pound for pound boxing champion Congressman Manny Pacquiao, among others.

At present, aside from the Philippine Sports Commission created under Republic Act No. 6847 enacted in 1990, there are other organizations that have a direct role in the state of sports in the country today like the Philippine Olympic Committee and thirty eight national sports associations. There is therefore a need to provide a central governing agency that will consolidate all efforts, provide direction, and encourage investment in Philippine sports.

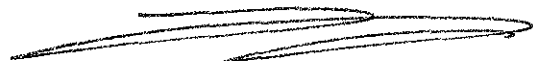
This bill aims to do just that by creating a Philippine Sports Authority with the following mandate:

- (a) Plan, implement, and oversee an integrated sports promotion and development program for the country in coordination with the Philippine Sports Institute, as well as other government agencies, non-government organizations and associations involved in sports;
- (b) Prescribe criteria and standards for the participation of athletes and teams in international competitions;

- (c) Provide technical assistance to regional, provincial, municipal, barangay and school sports promotion and development councils in the conduct and coordination of sports activities within their respective jurisdictions;
- (d) Promote grassroots sports program through regional offices and strengthen the sports club system;
- (e) Assist the proper government agency in the formulation of incentives program for local manufacturers and distributors of sports equipment and supplies based on international standards and quality;
- (f) Coordinate with various government agencies and instrumentalities in the formulation and implementation of their respective sports program based on the policies established in this Act, and to assist these government entities in determining their respective budgets for these programs;
- (g) Conduct promotion and fund-raising campaign programs to realize the policies of this Act in accordance with existing laws;
- (h) Establish and maintain linkages with international sports associations, organizations or sports commissions of other countries;
- (i) Review the construction plans of proposed sports complexes and similar establishments for public use and rationalize or regulate publicly-funded sports complexes; and
- (j) Promulgate rules and regulations to implement this Act and periodically plan, formulate, review and evaluate its programs, projects and organizational set-up.

Under this proposed measure, special bureaus are created under the PSA to provide specialized treatment to various facets of sports in the country like the Bureau of Amateur Sports, Bureau of International Sports and the Bureau of Professional Sports. Moreover, there is hereby created a collegiate body to be known as Philippine Sports Institute to provide education and training in accord with international standards to our athletes, coaches and other support groups involved in sports. Finally, the PSA shall have quasi-judicial functions to settle disputes between and among the members of any sector in the sports industry.

In view of the foregoing, immediate passage of this bill is earnestly requested.



LOREN LEGARDA
Senator

SENATE

S.B. No. 1416

DATE RECEIVED



Introduced by Senator Loren Legarda

AN ACT
CREATING THE PHILIPPINE SPORTS AUTHORITY TO OVERSEE THE
OVER-ALL DEVELOPMENT, PROMOTION AND REGULATION OF SPORTS
IN THE PHILIPPINES, DEFINING ITS STRUCTURE, POWERS,
RESPONSIBILITIES AND FUNCTIONS, APPROPRIATING FUNDS
THEREFORE, AND FOR OTHER PURPOSES

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

1 **SECTION 1. Short Title.** -This Act shall be known as the "**Philippine Sports**
2 **Authority Act.**"

3
4 **SECTION 2. Declaration of Policies.** -

- 5
6 a) The State shall promote physical education and encourage sports programs,
7 league competitions, and amateur sports, including training for international
8 competitions, in order to foster self-discipline, teamwork and excellence
9 among its citizens.
- 10 b) The State shall guarantee equal access to opportunities for sports
11 participation by all Filipinos, particularly by women and girls, members of
12 indigenous cultural communities, elder citizens and persons with disabilities.
- 13 c) The State shall preserve the practice of traditional games as valuable
14 component of our cultural heritage, and shall promote aquatic and nature
15 sports as medium for developing among the citizens a genuine concern for
16 the preservation of the environment.
- 17 d) The State recognizes the role of the media in disseminating information on
18 sports.

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CHAPTER 1

THE PHILIPPINE SPORTS AUTHORITY

SEC. 3. *Nature and Creation of the PSA.* -There is hereby created an integrated, independent and autonomous sports regulatory body with quasi-legislative and quasi-judicial functions, to be known as the Philippine Sports Authority, herein referred to as the PSA. It shall hold its principal office at the Philippines Sports Authority Complex in Metro Manila and shall be attached to the Office of the President for administrative purposes.

SEC. 4. *Functions.* -The PSA shall perform the following functions:

- a) Plan, implement, and oversee an integrated sports promotion and development program for the country in coordination with the Philippine Sports Institute, as well as other government agencies, non-government organizations and associations involved in sports;
- b) Prescribe criteria and standards for the participation of athletes and teams in international competitions;
- c) Provide technical assistance to regional, provincial, municipal, barangay and school sports promotion and development councils in the conduct and coordination of sports activities within their respective jurisdictions;
- d) Promote grassroots sports program through regional offices and strengthen the sports club system;
- e) Assist the proper government agency in the formulation of incentives program for local manufacturers and distributors of sports equipment and supplies based on international standards and quality;
- f) Coordinate with various government agencies and instrumentalities in the formulation and implementation of their respective sports program based on the policies established in this Act, and to assist these government entities in determining their respective budgets for these programs;
- g) Conduct promotion and fund-raising campaign programs to realize the policies of this Act in accordance with existing laws;
- h) Establish and maintain linkages with international sports associations, organizations or sports commissions of other countries;

- 1 i) Review the construction plans of proposed sports complexes and similar
2 establishments for public use and rationalize or regulate publicly-funded
3 sports complexes; and
- 4 j) Promulgate rules and regulations to implement this Act and periodically
5 plan, formulate, review and evaluate its programs, projects and
6 organizational set-up.

7
8 **SEC. 5. *Structure of the PSA Board.*** -The PSA shall exercise its powers and
9 functions through the PSA Board, which shall be composed of a Chairperson and
10 four members who shall be appointed by the President from a list of nominees
11 provided by duly recognized sports associations and organizations in the
12 Philippines.

13
14 **SEC. 6. *Rank, Compensation and Term.*** -The Chairperson and four members
15 of the PSA Board shall have the rank, compensation and emoluments of a
16 Department Secretary and Undersecretary, respectively, and shall serve for a term of
17 seven years without re-appointment. Of the initial appointees, the first two shall
18 have a term of seven years, the next two shall have a term of five years and the fifth
19 appointee shall have a term of three years.

20
21 **SEC. 7. *Powers of the PSA Board.*** -The PSA Board shall have the following
22 powers:

- 23
- 24 a) Formulate standards for sports and physical fitness programs, particularly in
25 the grassroots level and sports education curricula in consultation with the
26 Department of Education and Culture, Commission on Higher Education and
27 the Philippine Regulatory Commission;
- 28 b) Appoint the officers of the PSA and fix their compensation subject to existing
29 laws, rules and regulations;
- 30 c) Enter into contracts for the acquisition, use, control or disposition of lands,
31 buildings, facilities, equipment, instruments, tools, rights and other personal
32 properties, as well as accept donations, gifts, bequests, and grants on behalf of
33 the PSA;
- 34 d) Regulate the acquisition, procurement, distribution and use of sportswear,
35 equipment, instruments, tools and other sports gears necessary for the
36 training of athletes;

- 1 e) Subject to existing laws, confer, extend and grant awards, benefits and
2 privileges to athletes, coaches and officials for outstanding performance in
3 national and international competitions, and grant support to sports
4 associations in good standing with the PSA;
- 5 f) Confer, extend, grant support or assistance to sports associations which are in
6 good standing with the PSA;
- 7 g) Accept donations, gifts, bequests, and grants for and in behalf of the PSA; and
8 h) Perform any and all other acts necessary or incidental to the accomplishment
9 of its purposes.

10
11 **SEC. 8. Regular Bureaus.** -Except as provided under this Act, the Board shall
12 organize bureaus, divisions, and offices in such manner as would best carry out the
13 declared policies and objectives enunciated herein and consistent with the
14 provisions of civil service laws, rules, and regulations.

15
16 **SEC. 9. Special Bureaus.** -There is hereby created three special bureaus under
17 the PSA to ensure the proper implementation of this Act: (a) the Bureau of Amateur
18 Sports; (b) the Bureau of International Sports; and (c) the Bureau of Professional
19 Sports.

20
21 **CHAPTER II**
22 **BUREAU OF AMATEUR SPORTS**
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24 **SEC. 10. Bureau of Amateur Sports.** -The Bureau of Amateur Sports shall be
25 primarily responsible for the promotion and development of amateur sports in the
26 Philippines. The Division of Amateur Sports shall have authority over all matters
27 relative to amateur sports.

28
29 **SEC. 11. Functions.** -The Bureau of Amateur Sports shall have the following
30 functions:

- 31
32 a) Plan, implement and encourage a mass-based sports and physical fitness
33 program for the youth, senior citizens, the disabled and the entire citizenry,
34 through the promotion of a sports club system and of amateur sports in formal
35 and informal setting;

- 1 b) Promote social and cultural integration through the revival of traditional and
2 indigenous games and sports;
- 3 c) Identify and nurture sports talents for further development and promote
4 excellence in sports, traditional games and other physical activities;
- 5 d) Recommend to the PSA the formulation of policies and programs that will
6 foster the development of amateur sports in the grassroots level;
- 7 e) Impose sanction on any national sports association, institution, association,
8 body, entity, team, athlete and sports official engaged in amateur sports for
9 violation of its policies, rules and regulation;
- 10 f) Exercise supervisory powers over the national sports associations in
11 connection with their sports promotion and development programs where
12 financial assistance is extended by the PSA; and
- 13 g) Ensure the implementation by various government departments and agencies
14 of their sports promotion and development programs as indicated in their
15 respective annual budgets.

16
17 **SEC. 12. Divisions under the Bureau of Amateur Sports.** -To ensure efficiency
18 and specialization, there shall be established two main divisions under the Bureau of
19 Amateur Sports to be headed by deputy directors: (a) the Sectoral Sports Division
20 and (b) the Local and National Sports Competition Division.

21
22 **SEC. 13. Sectoral Sports Division.** -The Sectoral Sports Division shall have
23 the following functions:

- 24
25 (a) Formulate and implement (i) a physical fitness testing and evaluation
26 program to determine, monitor and establish a fitness profile of the different
27 sectors of society, and (ii) a developmental program in order to improve and
28 enhance the physical fitness status of the citizens;
- 29 (b) Support the formation of sports clubs in schools, workplaces and
30 communities and the conduct of activities aimed at encouraging the citizens
31 to participate and successfully compete in sports and various physical
32 activities;
- 33 (c) Provide technical assistance to sectoral sports stakeholders;
- 34 (d) Assist the basic, tertiary and technical education sectors in the implementation
35 of their physical education and school sports curricular programs; and

1 (e) Develop the criteria for and implement an awards and incentives scheme to
2 encourage mass participation, sustained involvement and excellent
3 performance.

4
5 **SEC. 14. *Local and National Sports Competition Division.*** -The Local and
6 National Sports Competition Division shall have the following functions;

7
8 (a) Plan and conduct regular formal and informal sports competitions at the local
9 and national levels;

10 (b) Assist public and private educational institutions in the implementation of
11 their intramural sports program and encourage competition activities of
12 sectoral sports clubs;

13 (c) Establish and implement a system for identifying and developing athletic
14 talents for inclusion in the Developmental Athletes' Pool; and

15 (d) Plan, implement and administer all aspects of the training program and the
16 preparation and participation for international competition of the
17 Developmental athletes' Pool.

18
19 **CHAPTER III**

20 **BUREAU OF INTERNATIONAL SPORTS**

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22 **SEC. 15. *Establishment of the Bureau of International Sports.*** -A special
23 sports bureau to be known as the Bureau of International Sports is hereby
24 established to promote and ensure successful participation in Olympic and
25 international sports through training and preparation of athletes, coordination and
26 cooperation with international sports associations and entities, and adequate
27 budgetary funds and resources.

28
29 **SEC. 16. *Divisions of the Bureau of International Sports.*** -The Division of
30 International Sports shall be composed of: (a) the Philippine Olympic Committee
31 and National Sports Association Affairs Division and (b) the International Sports
32 Competition Division.

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34 **SEC. 17. *Functions of the Philippine Olympic Committee and National***
35 ***Sports Association Division.*** -The Philippine Olympic Committee and National
36 Sports Association Affairs Division shall have the following functions:

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- (a) Process, facilitate and oversee agreements and transactions conducted between and among the PSA, the Philippine Olympic Committee, National Sports Associations and similar local and international institutions, and ensure their compliance;
- (b) Facilitate all necessary arrangements for the participation of national teams in international competition;
- (c) Develop, prescribe and ensure the observance of criteria and standards for athletes and athletic teams representing the country in international competitions;
- (d) Prescribe the criteria for selecting individuals, associations or clubs entitled to financial or other support to enable their participation in international conferences, seminars, clinics, competitions and similar programs; and
- (e) Establish appropriate linkages with international sports bodies.

SEC. 18. National Sports Associations. -The PSA may recognize national sports associations organized for the respective sports in the Philippines or affiliated with international federations through a memorandum of agreement after ensuring that their charters, constitution and by-laws, and board resolutions conform to the policies laid down in this Act. An unregistered sports association may be allowed to enjoy the privileges of a duly recognized National Sports Association provided that it complies with the necessary requirements within a non-extendible period not exceeding one year.

Except as otherwise provided, and subject to the policies laid down in this Act, national sports associations recognized by the PSA shall be autonomous and shall have exclusive technical control over the promotion and development of their respective sports activities.

Every National Sports Association shall set its organization and membership in its constitution and by-laws. No team, school club, organization or entity shall be admitted as a voting member of national sports association unless sixty percent (60%) of the athletes composing said team, school club, organization or entity are Filipino citizens. Every NSA shall be required to show record of continuous growth and expansion.

- 1 e) Issue licenses or permits to conduct professional sports activities and collect
2 fees for the issuance thereof;
- 3 f) Suspend or revoke any such licenses or permit for failure to comply with or
4 for violation of any of the provisions of this Act, or any law, executive order,
5 rule or regulation promulgated hereunder;
- 6 g) Order the temporary suspension of a license or permit issued pursuant to Act
7 or the rules and regulations promulgated, whenever such action is warranted
8 to protect and promote the best interest of the professional sports;
- 9 h) Order the suspension of any game for violation or non-compliance with the
10 provisions of this Act or the rules and regulations promulgated hereunder;
- 11 i) Investigate, decide and settle all questions, issues, controversies or disputes
12 involving matters relative to or connected with professional sports, subject to
13 such rules, regulations and procedures as it may deem proper to adopt;
- 14 j) Accredite coaches and trainers who receive proper training by the Philippine
15 Sports Institute created under this Act or such other institutions of learning or
16 training recognized by the PSA;
- 17 k) Ensure that recognized and accredited athletes, trainers or coaches are
18 protected from exploitative practices of promoters or similar third party
19 financiers;
- 20 l) Promulgate the rules and regulations that shall govern the mandatory
21 minimum health and medical requirements of athletes, coaches or trainers
22 and ensure that they receive adequate medical assistance in case of accidents
23 or emergency;
- 24 m) Ensure the protection of athletes, trainers, coaches, scouts and other persons
25 directly involved therein, from unscrupulous sports promoters, managers
26 and such other persons performing the same functions and vice-versa; and
- 27 n) Designate the appropriate officer who shall hear and investigate matters
28 pending before it.

29
30 **SEC. 22. Permit.** -It shall be unlawful for any person, entity or association to
31 conduct professional sports activities without permit duly issued by this Bureau.
32 Every permit issued shall specify the person, entity or association in whose favor it
33 was issued, including the place where and the date when the games are to be held.

34
35 **SEC. 23. License.** - No person, entity or association may employ a player,
36 referee, scorer, timekeeper or any other individual performing duties connected

1 with professional sports, unless such person has been duly licensed by this Bureau.
2 Such license shall be obtained yearly and may be withdrawn or revoked on findings
3 by the Bureau that the licensee is guilty of dishonesty or fraudulent practice or has
4 violated a law, decree, executive order, rule or regulation or professional sports, or
5 for any just cause.

6
7 **SEC. 24. *Assignment of Officials.*** -The Bureau of Professional Sports shall
8 assign at each professional sports activity the duly licensed referees, timekeepers,
9 scorers or officers to officiate therein and only the officials so designated shall be
10 authorized to perform their respective functions.

11
12 **SEC. 25. *Duty of Person, Entity or Association Conducting the Professional***
13 ***Sports Activity.*** - It shall be the duty of the person, entity or association conducting
14 a professional sports activity to ensure that peace and order is maintained in the
15 premises where the sports activity is being conducted and that the rules and
16 regulations governing the same are properly observed.

17
18 **SEC. 26. *License Fees and Dues.*** -There shall be collected an amount
19 equivalent to two percent (2%) of the gross returns or income of any promoter,
20 manager, association, and athlete coach, trainer, and support group engaged in
21 professional sports, from such activity or profession. Ten percent (10%) of such
22 amount shall be used to defray expenses for regulation. The license fees shall be
23 collected every third month of their respective fiscal year and shall be tax deductible.

24
25 **SEC. 27. *Admission Receipts and Other Income.*** -The Bureau of Professional
26 sports shall, through its duly authorized representatives, supervise the sale of
27 admission tickets for any professional sports activity. All tickets, except
28 complimentary tickets, shall state the price, name of person, entity or association
29 conducting the professional sports activity, and indicate the time and date of
30 activity, the names of competing teams or athletes, and ticket classification,
31 whenever possible. No ticket shall be sold for more than the price as printed thereon
32 and any change in ticket prices off the date of the activities shall be subject to prior
33 approval of the Bureau.

34
35 Any person, entity or association conducting professional sports activities
36 shall set aside and remit to the PSA, through the Bureau of Professional Sports, five

1 percent (5%) of the gross gate receipts and income from television, radio, and
2 motion picture rights, if any. The amount remitted shall be used to defray the
3 expenses of the Bureau personnel assigned to supervise the activities and the
4 balance, if any, shall be used for the infrastructure projects of the PSA.

5
6 **SEC. 28. *Performance Bond.*** -To protect the interest of athletes, coaches, and
7 trainers and support groups against unscrupulous individuals, the Bureau of
8 Professional Sports shall require the posting of performance bonds from promoters,
9 managers, professional sports associations as one of the preconditions for the
10 issuance of permits. Such bond shall in no case be more than thirty percent (30%) of
11 the total amount of obligation to be incurred by said persons.

12
13 **CHAPTER V**
14 **THE PHILIPPINE SPORTS INSTITUTE**

15
16 **SEC. 29. *Creation of the Philippine Sports Institute.*** -In order to make
17 available to athletes, coaches, support groups and sports manpower the highest
18 quality of education and training in accord with international standards of
19 performance, there is hereby created an independent self-regulating collegiate body
20 to be known as the Philippine Sports Institute.

21
22 **SEC. 30. *Powers and Functions.*** -The following are the powers and functions
23 of the Philippine Sports Institute:

- 24
25 a) To serve as the primary planning and research arm of the PSA;
26 b) To train and grant certificates of competency, in coordination with educators
27 in different levels of specialization, through academic graduate degree
28 programs to coaches, trainers, sports managers, referees, umpires,
29 community sports psychologists and sports medicine practitioners;
30 c) To conduct basic and applied research, collate and store relevant data and
31 information about physical education and sports;
32 d) To create avenues for the adoption and utilization of sports science, sports
33 medicine and other scientific work in support of the training and
34 participation of athletes in competitions as well as in the promotion of the
35 general health and physical fitness of the citizenry;
36 e) To establish satellite regional training centers;

- 1 f) To enter into memorandum of understanding with private schools and
2 colleges or such other arrangements with regard to the optimal use of sports
3 complexes and activities;
- 4 g) To enter into and engage in a consortium with public and private schools
5 offering degree and non-degree courses in physical education and sports; and
- 6 h) To establish and maintain linkages with international academic institutions or
7 organizations in order to regularly upgrade sports manpower and improve
8 the training programs and sports curriculum of the Institute.

9

10 **SEC. 31. *Housing and Place of Activities.*** -The Philippine Sports Institute
11 shall be housed at the Philippine Sports Institute Complex located in the island of
12 Luzon. The activities of the Philippine Sports Institute pursuant to this Act may be
13 carried out in satellite regional training centers, in venues pursuant to a consortium
14 with public and private schools, or in such other places as the Philippine Sports
15 Institute may decide.

16

17 **SEC. 32. *Board of Trustees.*** - A Board of Trustees composed of the following
18 shall exercise management of the Philippine Sports Institute:

19

- 20 a) The Secretary of the Department of Education and Culture or his
21 representative whose rank shall not be lower than an Undersecretary as *ex-*
22 *officio* Chairman of the PSI Board;
- 23 b) The Chairman of the Commission on Higher Education or his representative
24 whose rank shall not be lower than a commissioner as *ex-officio* Vice
25 Chairman;
- 26 c) The Chairman of the Philippine Regulatory Commission or his representative
27 whose rank shall not be lower than a commissioner as *ex-officio* Vice
28 Chairman;
- 29 d) A representative commissioner from the PSC as member;
- 30 e) A representative from the academe, particularly in sports education and
31 training as member;
- 32 f) A representative from the National Sports Associations who specializes in the
33 education and training of sports manpower as member; and
- 34 g) A representative from a duly recognized professional sports association as
35 member.

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1 The representative of the academe, the National Sports Association and the
2 duly recognized professional sports association shall be appointed by the President
3 for a term of three years, subject for re-appointment for another term. After the
4 expiration of such term, they may continue to exercise their duties until their
5 successors shall be duly appointed and qualified.
6

7 **SEC. 33. *Per Diem and Allowances.*** - The Chairman, Vice-Chairman and
8 Members of the Board of Trustees shall receive allowances of not less than Two
9 Thousand Pesos (P2,000.00) for every official meeting of the Board actually attended,
10 which amount shall in no case be more than Twenty Four Thousand Pesos
11 (P24,000.00) per month. A member of the Board shall be entitled to allowances for
12 official travel and representation, subject to the rules and regulation of the
13 Commission on Audit.
14

15 **SEC. 34. *Powers and Functions of the Board of Trustees.*** - The Board of
16 Trustees shall exercise the following powers and functions:
17

18 a) To plan, formulate, implement, and evaluate the curricula of the following
19 degrees and specializations in Physical Education, in coordination with the
20 other academic disciplines, as may be required by their specialization;
21

- 22 1. Masters Degree in Physical Education; and
- 23 2. Courses offering certificates such as Certificate in Physical Education or
24 Diploma in Sports.
25

26 b) To formulate and implement a Provision Development Program which shall
27 directly manage, maintain, preserve and gather data or information relative
28 to the following facilities:
29

- 30 1. Philippine Center for Sports Medicine;
- 31 2. Sports Museum; and
- 32 3. Sports Library and Archives;
33

34 c) To provide training and accreditation of sports manpower such, as but not
35 limited to the following:
36

- 1 1. Coaches;
- 2 2. Sports medicine specialists;
- 3 3. Sports officiating officials;
- 4 4. Sports Managers;
- 5 5. Community sports leaders; and
- 6 6. Business and/or corporate sports coordinators.

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8 d) To extend assistance in the conduct of athletic training, international
9 exchange program and sports distance study program, whenever possible
10 and subject to availability of funds;

11

12 e) To encourage and promote professional competence and integrity among the
13 members of the sports professions through (1) quality program of instruction;
14 (2) competent and dedication faculty; and (3) civic-minded and socially-
15 oriented students and graduates with high ethical values;

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17 f) To provide opportunities for potential athletes to attain certificates, diplomas
18 or degrees of completion in the elementary, high school and college
19 education;

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21 g) To appoint professors, instructors, lecturers and other employees of the
22 Institute; fix their compensation, hours of service and such other duties and
23 conditions as it may deem proper; and to admonish, suspend or remove them
24 for cause, after due notice and hearing;

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26 h) To receive in trust legacies, gifts and donations of real and personal
27 properties and administer the same for the benefit of the Institute, or of a
28 department thereof, or for aid to any student athlete in accordance with the
29 direction or instruction of the donor, and in default thereof, in such manner
30 as the Board may properly determine;

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32 i) To serve as the research and development arm of the PSA Board in the
33 performance of the latter's function of providing guidelines and policies on
34 sports; and with the purposed of the Institute and of this Act.

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1 **SEC. 37. *Integration of the Philippine Sports Commission.*** - The Philippine
2 Sports Commission created and established under Republic Act 6847 shall be
3 integrated with PSA on or before December 31, 2012. All power, functions, duties
4 and responsibilities of the Philippine Sports Commission not inconsistent with the
5 provisions of this Act shall continue to be exercised and performed by the PSA.
6 Forthwith, the Philippine Sports Commission shall conduct an inventory of its assets
7 and liabilities, and shall turn over the same together with the inventory to the PSA.

8
9 All programs, contracts and projects of the Philippine Sports Commission
10 which are inconsistent with the policies and provisions of this Act shall be
11 terminated on or before December 31, 2012; *Provided*, that contracts, programs and
12 projects which cannot be unilaterally terminated shall remain in force and effect, by
13 the Philippine Sports Commission and the PSA shall negotiate for the rescission of
14 the contract or termination of the project or program for a period earlier than what
15 has been previously agreed upon.

16
17 **SEC. 38. *Reassignment of Powers and Functions of the Games and***
18 ***Amusement Board Relative to Professional Sports Activities to the PSA.*** - All
19 powers and functions of the Games and Amusement Board relative to professional
20 sports and professional sports activities, including all the assets and liabilities of the
21 said Board pertaining to professional sports shall be reassigned to the PSA on or
22 before December 31, 2012.

23
24 **SEC. 39. *Absorption and Benefits of Dislodged Officers and Employees.*** -
25 The officers and employees of the Philippine Sports Commission, the Bureau of
26 Physical Education and School Sports and the Games and Amusement Board shall
27 be absorbed to such extent as may be administratively feasible, by the pertinent
28 office or division of the PSA assigned to perform the task previously exercised by
29 the office or bureau to which such officers or employees belong; *Provided*, That
30 officers or employees who have been employed in the abolished offices for the past
31 three consecutive years shall have the right to choose between retirement, separation
32 pay and absorption by the PSA: *Provided, Further*, That nothing herein shall be
33 construed to prevent a qualified and officer or employee who opted for an early
34 retirement or separation pay from seeking reemployment: *Provided, Finally*, That
35 officers and employees who cannot be absorbed by the PSA shall be entitled to such

1 benefits accorded to separated or retrenched government employees, as may be
2 provided by existing laws.

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4 **SEC. 40. *Establishment of Regional Offices.*** – The PSA Board shall establish
5 Regional Offices in every region and province offices that shall be the base of a
6 nationwide grassroots sports program.

7
8 **SEC. 41. *Institution of the National Sports Week.*** – From the Year 2013
9 onwards, every last week of January shall be established as the “Philippine National
10 Sports Week.”

11
12 **SEC. 42. *Establishment of Sports Park.*** – Every local government unit, in
13 cooperation with their local sports associations, private corporations and other non-
14 government organizations is hereby encouraged to set aside a certain portion of its
15 territory for the establishment of a local sports park that shall serve as venue for
16 local and other sports activities.

17
18 **SEC. 43. *Presidential Land Grant.*** – The provisions of any existing law to the
19 contrary notwithstanding, the president may upon the recommendation of the
20 Secretary, of Environment and Natural Resources, grant by donation, sale, lease or
21 otherwise, to the PSA portions of the land of the public domain as may be necessary
22 for the establishment of regional training centers in all regions of the country and for
23 the accomplishment of any of its purposes.

24
25 **SEC. 44. *Funding.*** – The amount of One Hundred Million Pesos
26 (P100,000,000.00) is hereby appropriated for the initial calendar year of the PSA. All
27 funds and appropriations being currently afforded to the abolished offices shall be
28 realigned to the budget of the PSA, the deficit, if any, shall be covered by the annual
29 appropriations passed by Congress: *Provided*, That the operating expenses of the
30 PSA shall not exceed twenty percent (20%) of the annual appropriations and at least
31 eighty percent (80%) shall be disbursed for the national sports programs and
32 identification, recruitment and training of athletes for various international games
33 and competitions.

34
35 To finance the country’s integrated sports development program, including
36 the holding of national games and international events or competitions, thirty

1 percent (30%) representing the charity fund of the proceeds of twenty (20)
2 sweepstakes or lottery draws per annum, whichever is higher, taxes on horse races
3 during special holidays, five percent (5%) of the gross income of the Philippine
4 Amusements and Gaming Corporation (PAGCOR), the proceeds from the sales of
5 stamps as hereinafter provided, and three percent (3%) collected on imported
6 athletic equipment shall be automatically remitted directly to the PSA together with
7 the rental income derived from the use of sports facilities under the Commission's
8 control and administration to constitute as its National Sports Development Fund.
9 Further, the Philippine Postal Service Office is hereby authorized to print paper and
10 gold stamps that will depict sports events and such other motif as the Philippine
11 Postal Service Office may decide at the expense of the PSA.

12

13 **SEC. 45. Reportorial Requirements.** - The PSA Chairman shall report to
14 Congress the developments relative to the implementation of this Act every third
15 week of July.

16

17 **SEC. 46. Repealing Clause.** - Republic Act No. 6847 and Presidential Decree
18 No. 815 are hereby repealed. Such other laws, issuances, proclamations, executive
19 orders, rules and regulations or parts thereof inconsistent with this Act are hereby
20 repealed or modified accordingly.

21

22 **SEC. 47. Separability Clause.** If any provision of this Act is declared
23 unconstitutional, the same shall not affect the validity of the other provisions hereof.

24

25 **SEC. 48. Effectivity.** - This Act shall take effect upon its approval and
26 completion in at least two national newspapers of general circulation.

27

28 Approved,