

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

SEVENTEENTH CONGRESS
Regular Session
3201
House Bill No. _____

HOUSE OF REPRESENTATIVES	
RECEIVED	
22 AUG 2016	
DATE:	_____
TIME:	2:30 PM
BY:	eli
REGISTRATION UNIT	
BILLS AND INDEX SERVICE	

Introduced by HON. DEOGRACIAS VICTOR "DV" B. SAVELLANO

EXPLANATORY NOTE

In the 18 years since the National Museum Act of 1998 (Republic Act No. 8492) was approved by President Fidel V. Ramos on February 12, 1998, the National Museum as the preeminent museum institution of the Philippines has made great strides in realizing the much needed legislative intention embodied in that landmark statute.

The National Museum Complex located in Rizal Park, Manila, as provided therein, has taken shape, with its appropriated buildings housing the National Museum of Fine Arts, the National Museum of Anthropology and the National Museum of Natural History, together with the older National Planetarium.

Its regional network has been rationalized and expanded, comprising regional, area and site museums and satellite offices throughout the archipelago, with further expansion still ongoing or projected, though major gaps admittedly still exist.

In terms of governance, its Board of Trustees and appointed management of one Director and two Assistant Directors have presided over a dynamic agenda of physical improvements, enhancements of the collection, research and field work, technical assistance, and public programs.

However, various factors have been identified by, or otherwise brought to the attention of, this representation as constraining the National Museum from being as effective as it might be, and from keeping pace with the evolving nature of similar museum institutions around the world.

Hence, this bill seeks to repeal the National Museum Act of 1998, and replace it with a measure that recasts and updates its objectives, addresses various areas of concern not provided hitherto, and further strengthen the National Museum in all ways appropriate to its longstanding mandate and envisioned role in the life of the Filipino people.


Indeed, the provisions of this bill aim to strengthen and enhance further the authority, governance, organization and operations of the National Museum in order to facilitate the full realization of its institutional potential, both along the general lines of the policies, framework and legislative

intentions established by virtue of the National Museum Act of 1998, as well as in response to present identified constraints and evolving needs, opportunities and challenges.

The envisaged outcome is a National Museum of the Philippines which does even better justice to the artistic, cultural and natural heritage and patrimony of the our people, and of which we can be rightfully proud as a leading museum institution regionally and worldwide.

For the information of my colleagues, this bill is intended as a counterpart measure for the consideration of this House of Representatives, of S.B. No. 915 filed in the Senate of the Philippines by Senator Loren Legarda, although with certain differences relative thereto.

For the above-cited reasons, the passage of this bill is earnestly sought.



DEOGRACIAS VICTOR B. SAVELLANO
Representative
First District of Ilocos Sur

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

SEVENTEENTH CONGRESS

_____ Regular Session

3201

House Bill No. _____

Introduced by HON. DEOGRACIAS VICTOR "DV" B. SAVELLANO

AN ACT STRENGTHENING THE NATIONAL MUSEUM OF THE PHILIPPINES, REPEALING FOR THE PURPOSE REPUBLIC ACT NO. 8492, OTHERWISE KNOWN AS THE NATIONAL MUSEUM ACT OF 1998, AND APPROPRIATING FUNDS THEREFOR

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

SECTION 1. Short Title. – This Act shall be known as the “National Museum of the Philippines Act of 2016”.

SEC. 2. Declaration of Policy. – It is the policy of the State to pursue and support the cultural development of the Filipino people, through the preservation, enrichment and dynamic evolution of Filipino national culture, based on the principle of unity in diversity in a climate of free artistic and intellectual expression.

SEC. 3. Name of the Agency. – The National Museum is hereby renamed as the “National Museum of the Philippines”, or, alternatively in Filipino, “*Pambansang Museo ng Pilipinas*”.

The shortened name “National Museum” or “*Pambansang Museo*” shall be understood as exclusively referring to the same, and its use in any manner or part of any name with respect to any institution within the Philippines shall be reserved exclusively to the Agency.

Hereinafter in this Act, the National Museum of the Philippines shall be referred to as either the National Museum or the Museum.

SEC. 4. Mandate, Duties and Functions. – The National Museum shall be the primary institution of the State for the management and development of museums and collections of national scope or significance in the areas of arts, cultural heritage and natural history, for purposes of protecting, preserving, studying and promoting the national patrimony for the benefit of current and future generations, supporting education and social progress, and contributing to economic development through tourism and educational, scientific, cultural and leisure services and industries. It shall be a permanent institution in the service of the entire national community and its development, accessible to the public, and not intended for profit.

In this regard, the Museum shall:

- a) Function as an educational, cultural and scientific institution that, through its operations, projects and programs, documents, acquires, preserves, exhibits, and fosters scholarly study and public appreciation of works of art, specimens, and cultural and historical artifacts representative of or unique to the artistic and cultural heritage of the Filipino people and the natural history of the Philippines, as well as their significance to the nation.
- b) Establish, manage and develop the National Museum Complex in Rizal Park, Manila, central museums as well as regional museums and other facilities, and promote the principles of universal access by the public.
- c) Manage and develop the national collections of the Republic of the Philippines in the areas of arts, cultural heritage, and natural history,
- d) Carry out permanent research programs combining integrated laboratory and field work in biodiversity, geological history, human origins, pre-historical and historical archaeology, maritime and underwater cultural heritage, ethnology, art history, immovable, movable and intangible cultural properties, and similar or associated fields.
- e) Disseminate technical and museological skills and support museum development in the country.
- f) Extend technical assistance in the preservation and restoration of cultural properties of national significance.
- g) Carry out any and all other functions characteristic of public collecting and research museum institutions of similar mandate and national scope, in line with prevailing international principles and best practices.

SEC. 5. The Museum as a Trust of the Government. – To ensure its independence and autonomy, the Museum shall be uniquely considered as a trust of the government, attached solely for budgetary coordination and related purposes to the Department of Education.

As a trust of the government, the Museum shall have the following general attributes and privileges:

- a) The Museum shall continue to be classified as a National Government Agency, primarily for administrative purposes, including receiving its annual budget from the general appropriations of the National Government to cover appropriately the entirety of its mandated operations and activities;
- b) The Museum shall be considered, primarily for administrative purposes as to staffing pattern and compensation scales, as higher in level than a Bureau or Bureau-level agency but beneath that of a Department or Department-level agency; and
- c) The Museum shall, in terms of operational flexibility and autonomy, enjoy such privileges and special rules characteristic of both a government-owned and controlled corporation and a state university or college wherever possible and which in any and all cases promote the objectives of this Act, and that special rules as may be necessary to this effect be formulated by the Museum, the Department of Budget and Management, the Commission on Audit, and other concerned agencies, and appropriately promulgated.

SEC. 6. Permanent Home in the National Capital; Evidence of Title to Structures and Lands. – The whole Executive House also known as the old Congress or Legislative Building, the Department of Finance Building and Department of Tourism, originally Agriculture and Commerce, Building on

Agrifina Circle in the City of Manila shall be the permanent and exclusive site of the Museum, and shall form the core of the National Museum Complex in the national capital.

These buildings shall be deemed appropriated to the Museum, and the record of the description of such structures and lands together with those appropriated under Section 8 below, or a copy thereof, certified by the Board of Trustees, shall be received as evidence in all courts of the extent and boundaries of the structures and lands appropriated to the Museum.

SEC. 7. Preservation of the Senate Session Hall. – The National Museum shall preserve the Senate Session Hall in the Old Legislative Building as a tribute to the legacy of the great men and women of the Philippine Senate for their invaluable contributions to the Filipino people, and as a relic where democracy and freedom reigned and events of national significance transpired.

SEC. 8. Appropriated Property and Lands for the National Museum Complex in Rizal Park, Manila. – In addition to the buildings appropriated to the Museum for its National Museum Complex under Section 4 of Republic Act No. 8492, the entirety of the portion of Rizal Park in the City of Manila bounded by Padre Burgos Drive, Taft Avenue, Teodoro M. Kalaw Avenue and Maria Orosa Avenue, including the roadways leading to the Agrifina Circle therein, is hereby appropriated to the Museum for its exclusive development and use as its National Museum Complex in Rizal Park, Manila, in accordance with the provisions of this Act.

Likewise appropriated for the same purpose is the existing building of the National Planetarium, located in Rizal Park and since 1975 operated by the Museum, and its lot as presently delineated.

Further property and lands that are hereby appropriated for the same purpose include the monument to Gomburza by Solomon Saprid and its existing associated plaza, the median strip, traffic islands and west side of Burgos Drive between General Luna Street and Victoria Street, including the plaza and monument to Juan Luna, and the entire portion of the existing golf course or former moat of Intramuros between the aforementioned streets and the walls of Intramuros, together with the median strip and traffic islands of Finance Road, which is hereby renamed National Museum Avenue.

Within one (1) year of the effectivity of this Act, the Museum and all concerned entities shall ensure that these properties and lands have been properly transferred and secured in its favor.

SEC. 9. Dedication of the National Museum Complex to Dr. Jose Rizal. – The National Museum Complex of the Museum, being part of Rizal Park in Manila, shall be dedicated to the life, work, martyrdom and memory of Dr. Jose Rizal, whose encyclopedic range of intellectual, professional, and patriotic interests are to be imbued as far as possible in the Museum's public operations and activities throughout its National Museum Complex in the fields of history and literature in addition to anthropology, fine arts, architecture and the natural sciences, among others.

SEC. 10. Master Plan of the National Museum Complex. – The Museum shall develop the National Museum Complex with reference to the Burnham Plan for Manila of 1905, to include such institutional exigencies as public exhibition, activity and function halls, office and operational spaces, museological and technical facilities, premises for commercial operations, vehicular parking, integrative infrastructure between its constituent buildings, parks and otherwise green areas, and

other kinds of public spaces, both above and below ground. The Museum shall likewise implement a design for a large public plaza and park fronting the Old Legislative Building, integrating it with Intramuros and exposing features of the former moat in this area.

For this purpose, the Museum shall formulate a Master Plan that shall be approved by the Board of Trustees within one (1) year of the effectivity of this Act, to be financed by the proceeds of its Endowment Fund should no appropriation from the General Fund be available for the purpose, and shall transmit the same to the President of Philippines through the Department of Budget and Management for endorsement to the Congress for its consideration as to the appropriations, if any, necessary for its implementation.

The Museum is also authorized to enter into appropriate public-private partnerships concerning property development and management to further the implementation of its Master Plan, subject to pertinent laws and issuances.

The said Master Plan may establish a distinct identity and delineation for the National Museum Complex, but should maintain appropriate integration with the larger area of Rizal Park as well as the surrounding areas of Intramuros and Ermita in the City of Manila. The entire Complex shall only in name be considered as part of Rizal Park, and the National Museum, through the Board of Trustees, shall be authorized to name or rename appropriately the aforementioned roadways leading to Agrifina Circle and specific public spaces within the Complex.

SEC. 11. Central Museums, Institute and Conservation Center. – The central museums of the Museum shall include the existing National Museum of Fine Arts, National Museum of Anthropology, National Museum of Natural History and the National Planetarium. The Museum is hereby directed to also take steps towards the establishment of:

- a) A central museum dedicated to architectural arts and built heritage;
- b) A central museum dedicated to maritime and underwater cultural heritage;
- c) An institute dedicated to professional museological education, training and development; and
- d) A conservation center as the central repository of movable cultural properties of national significance.

SEC. 12. Regional Museums and Satellite Offices. – The Museum shall maintain its existing regional museums and satellite offices and, if none exists, establish a regional museum and satellite office in each administrative region of the Philippines beyond the National Capitol Region. Area and site museums and offices shall also be established wherever necessary, with appropriate staffing patterns for existing and projected such museums and offices to be formulated and endorsed by the Board of Trustees for the approval of the Department of Budget and Management.

The specific sites of the new regional, area and site museums and satellite offices shall be selected based on considerations of geography, population distribution, and administrative efficiency as well as of outstanding national artistic, cultural and natural heritage significance, and educational, environmental and tourism considerations.

SEC. 13. The Board of Trustees. – The Museum shall be governed by a Board of Trustees, with the following powers and functions:

- a) To represent and mobilize pertinent areas of the private sector and the public sector in support of the mission and aims of the Museum;
- b) To serve as the appointing authority for the Head of Agency and Agency Management;
- c) To exercise general oversight on behalf of both the private and public sector over the operations and performance of the Museum through the Head of Agency and Agency Management;
- d) To approve strategic policies, goals and directions for the Museum where necessary, and any such special projects and programs as it may consider appropriate to carry out for its benefit, for implementation through the Head of Agency and Agency Management;
- e) To administer the Museum Endowment Fund, Museum Donations Fund and Museum Income Fund as provided for in this Act;
- f) To consider and appropriately dispose of appeals regarding administrative decisions of the Head of Agency, where appropriate in line with pertinent laws and issuances; and
- g) To carry out such other functions as provided herein, as well as in other pertinent laws and issuances.

SEC. 14. Composition of the Board of Trustees. – The Board of Trustees shall be comprise fifteen (15) members, to be composed of the following:

- a) Eight (8) representatives of the private sector, all citizens of the Philippines, each with a demonstrated personal or professional commitment to the mission and aims of the Museum, to include one (1) distinguished Filipino artist, architect or cultural worker, one (1) distinguished Filipino anthropologist or historian, and one (1) distinguished Filipino scientist in the field of natural history;
- b) The Chairperson of the appropriate Committee of the Senate covering the field of culture, as an *ex officio* member;
- c) The Chairperson of the appropriate Committee of the House of Representatives covering the field of culture, as an *ex officio* member;
- d) The Secretary of Education, as an *ex officio* member;
- e) The Secretary of Environment and Natural Resources, as an *ex officio* member;
- f) The Secretary of Tourism, as an *ex officio* member;
- g) The Chairperson of the National Commission for Culture and the Arts, as an *ex officio* member; and
- h) The Director-General of the Museum, as an *ex officio* member.

SEC. 15. Appointment of Trustees. – The private sector representatives shall be appointed by the President of the Philippines for a term of four (4) years, and are eligible for reappointment to succeeding terms of four (4) years, based on merit and performance. Appointment to a position vacated due to death, disability, resignation or any similar cause, shall be for the duration of said unexpired term only.

The Chairperson and Vice Chairperson of the Board of Trustees shall be designated by the President from among the representatives of the private sector appointed by him or her, and such designation shall be effective for the current term of the representative concerned. In the absence

of any such designation, the Board may elect an Acting Chairperson and Acting Vice Chairperson until such designation is made by the President.

This Section shall be effective only with respect to the appointment of new Trustees after the effectivity of this Act, and upon the expiry of the respective terms of incumbent Trustees and the designated Chairperson.

SEC. 16. Organization of the Board of Trustees. – The Board of Trustees shall meet at any agreed location within the Philippines, and the presence of eight (8) of its members shall constitute a quorum.

The members of the Board of Trustees shall serve without compensation, but shall be entitled to an appropriate honorarium for attendance at meetings, in accordance with pertinent laws and guidelines, as well as appropriate expenses and allowances related to travel and participation in the official activities of the Museum, within the Philippines and overseas, with the necessity of such to be certified by the Director-General of the Museum.

The Board of Trustees shall establish an Executive Committee of five (5) members, to include the Chairperson of the Board and the Director-General of the Museum together with three (3) of their members to be elected as such. The Board may establish such other committees as it may deem proper.

The President of the Philippines shall be the honorary chairman and patron of the Museum, and in this capacity shall preside annually over at least one (1) special or regular meeting of the Board of Trustees, to be held in the first six months of the year, so as to be informed of the accomplishments of the Museum and its needs for the future year.

The Board is authorized to adopt an official seal which shall be judicially noticed and to make such bylaws, rules, and regulations, as it deems necessary for the administration of its functions under this Act, including the organization and procedure of the Board and any other matter that falls within the ambit of its powers and functions, pursuant to this Act and existing laws, rules and regulations.

SEC. 17. Head of Agency and Management of the Museum. – The Museum shall be headed by a Director-General, who shall be the Head of Agency and have the rank and emoluments of an Undersecretary. There shall likewise be two (2) Deputy Directors-General of the Museum: one (1) Deputy Director-General for Museums and one (1) Deputy Director-General for Administration, who shall respectively have the rank and emoluments of an Assistant Secretary.

The central and regional museums and satellite offices of the Museum shall be managed under the Director-General and Deputy Directors-General by a Director, who shall have the rank and emoluments of a Bureau Chief, as follows:

- a) Director of the National Museum of Fine Arts, National Museum Complex, Manila;
- b) Director of the National Museum of Anthropology, National Museum Complex, Manila;
- c) Director of the National Museum of Natural History, National Museum Complex, Manila;
- d) Director of Northern Luzon National Museums;

- e) Director of Central–Southern Luzon and MIMAROPA National Museums;
- f) Director of Visayas National Museums; and
- g) Director of Mindanao National Museums.

Each Director enumerated above shall be respectively assisted by an Assistant Director. Changes in their designations and any additional such third-level positions as may be necessary to create for the appropriate management of the said central and regional museums and satellite offices shall be endorsed by the Board of Trustees for the approval of the Department of Budget and Management.

All the aforementioned positions shall be occupied by persons who are citizens of the Philippines, with a proven track record of competent administration, appropriate knowledge of museum or relevant institutional operations or management, and a demonstrable personal or professional commitment to the mission and aims of the Museum.

SEC. 18. Appointment and Term of the Head of Agency and Agency Management. – The Director-General, Deputy Directors-General, Directors and Assistant Directors provided for herein shall be appointed by the Board of Trustees of the National Museum for a term of four (4) years, and are eligible for reappointment to succeeding terms of four (4) years, based on merit and performance. Appointment to a position vacated due to death, disability, resignation or any similar cause, shall be for the duration of said unexpired term only.

Each shall be provided with appropriate support staff of coterminous term with the incumbent, as endorsed by the Board of Trustees and approved by the Department of Budget and Management.

The Board of Trustees may also appoint or designate persons to the aforementioned positions in an acting capacity in cases of vacancy, illness, absence or other cause, and may change such appointment or designation from time to time as the interests of the Museum may in its judgment require.

The existing organizational structure and staffing pattern of the National Museum shall be amended so as to integrate appropriately the provisions of this Act. The incumbent Director and two (2) Assistant Directors, if any, shall be automatically upgraded to the posts of Director-General and Deputy Directors-General as provided herein, and shall be granted a term of one (1) year upon effectivity of this Act before their performance is subject to review by the Board of Trustees for purposes of reappointment, if any, as provided herein.

SEC. 19. Appropriation. – As provided herein, the Museum shall continue to submit and receive its annual budget from the general appropriations of the National Government, covering its mandated operations and functions, as well as approved programs and projects.

SEC. 20. Retention of Income and Disposition of Donated Funds. – The Museum is hereby authorized to retain the entirety of its income from all sources of its operations nationwide and overseas, and to expend the same for any purpose in benefit of the Museum as may be authorized by its Board of Trustees, in accordance with this Act and other laws pertinent to the Museum and any special provisions as may be provided for in the General Appropriations Act for any given fiscal year. Such income shall be placed in a dedicated Museum Income Fund, and may accumulate for disbursement in future fiscal years if not expended within the fiscal year in which it was generated.

The Museum shall be authorized to accept anonymous donations of money, in Philippine or foreign currency, from its visitors, which shall be considered as gratuities and part of the income of the Museum, and which shall be credited to the Museum Income Fund. Such donations may be accepted through the placement of donation boxes or by persons authorized for the purpose. The handling and accounting of such donations shall be subject to rules and regulations to be prescribed by the Museum in agreement with the Commission on Audit within six (6) months of the effectivity of this Act.

The Museum shall not charge admission fees to the general public throughout its central and regional network, with the exception of special activities, programs or temporary exhibitions for which appropriate fees may be charged upon approval by the Director-General, but shall be allowed to recommend to visitors a schedule of donations, the handling and accounting of the proceeds of which shall fall under this provision.

The existing Revolving Fund of the Museum is hereby abolished, and its balance shall be transferred to the Museum Income Fund herein established.

Donations of moneys covered by legally executed deeds of donation shall be placed in a dedicated Museum Donations Fund, to be disbursed according to the terms and purposes of the respective deeds or, in cases where no specific purposes are stipulated, to be otherwise disbursed for any purpose in benefit of the Museum as may be authorized of the Board of Trustees.

As a general principle, and unless otherwise provided for by law, the retained income of, and anonymous donations and donations covered by deeds of donation that do not have any specified purpose to, the Museum, shall be applied to the purchase of capital assets for the benefit of the Museum, including real properties and movable assets such as equipment and collections items. In all cases, the disbursement of such funds shall be subject to the authorization of the Board of Trustees.

SEC. 21. Museum Endowment Fund. – The existing Museum Endowment Fund shall continue to be utilized for the purpose of implementing such special programs, projects and activities of the Museum that the Board of Trustees may approve in furtherance of its mandate and which are not covered by the general appropriations of the Museum that shall continue to fully provide for its regular operating budget.

The Museum Endowment Fund shall be directly administered by the Board of Trustees, which shall be allowed to appoint professional fund managers for the purpose of appropriately managing and investing the Fund on its behalf. Rules governing such administration, management and investment shall be similar to those pertaining to relevant government financial institutions, and shall be agreed between the Museum, the Department of Finance, and other concerned government agencies.

The initial principal of the Endowment Fund shall amount to Five Hundred Million Philippine Pesos (P500,000,000), to be derived from the amount of Two Hundred and Fifty Million Philippine Pesos (P250,000,000) from the Philippine Charity Sweepstakes Office and the amount of Two Hundred and Fifty Million Philippine Pesos (P250,000,000) from the Philippine Amusement and Gaming

Corporation. Taking into account past remittances, only the outstanding balances from either agency is hereby appropriated, to be payable in quarterly remittances with a period of three (3) years from the effectivity of this Act until the prescribed total amount has been reached.

Donations made to the Endowment Fund of the Museum shall be explicitly made and executed for the purpose, and once credited to it shall be considered as part of its principal. Such donations and bequests will be exempt from any and all taxes.

Only the interest of the Endowment Fund may be expended by the Board of Trustees, which shall authorize, as appropriate, the transfer of necessary amounts to a corresponding special projects account to be disbursed through the Head of Agency.

SEC. 22. Exemption from Taxes. – The Museum shall be exempt from paying import taxes and tariff duties on all to be directly used in its operations, including but not limited to books and other printed or digital publications, films and other similar media, art materials, chemicals for preservation and restoration, exhibit and technical supplies and equipment, and any item acquired or in the process of being acquired for its collections.

Donations and legacies to the Museum in the form of money or in kind, other than collections items as provided for in Section 31, shall be exempt from donor's, estate and inheritance taxes.

For donations in kind, excepting collections items, the Board of Trustees shall recommend to tax authorities the appropriate amount of exemption for donations of objects or donations in kind: *provided*, that the Board shall refer to qualified external evaluators to determine the proper valuation of the donation.

SEC. 23. Tax Incentives for Donations of Items to the Museum Collections. – All donations of such items as the Museum might seek to acquire for its collections shall qualify for deductions against income and/or inheritance taxes based on their estimated market value in Philippine Pesos as certified by resolution of the Board of Trustees, which shall formulate the said estimate upon the advice of the Museum and external experts, if appropriate, should no market or appraised value, in Philippine or foreign currency, within the last two (2) years be available for the item in question.

The extent of the deductions shall be as follows:

- a) One hundred and fifty (150) percent of the estimated market value in Philippine pesos for any work of national significance which the Board of Trustees will approve for acceptance by the Museum;
- b) Two hundred (200) percent of the estimated market value in Philippine pesos for any work of important and outstanding national significance, that of the level of Important Cultural Property, which the Board of Trustees will approve for acceptance by the Museum, and which the Director-General will endorse for declaration by the pertinent authority as such, if not already so declared, immediately after its donation; and
- c) Three hundred (300) percent of the estimated market value in Philippine pesos for any work of the most exceptional and extraordinary national significance, that of the level of National Cultural Treasure, which the Board of Trustees will approve for acceptance by the Museum, and which the Director-General will endorse for declaration by the pertinent authority as such, if not already so declared, immediately after its donation.

Deductions against taxable inheritance applied for under this Act that may exceed the total amount owed may be deductible from the taxable income of the legal heirs within the current year or otherwise spread over a maximum of five (5) consecutive years including the current year.

Deductions against taxable income applied for under this Act may be made in full for within the current year or otherwise spread over a maximum of five (5) consecutive years including the current year.

SEC. 24. Procurement of Items for the Museum Collections. – The procurement of items by the Museum for its collections, charged to any of its sources of funds as may be allowed, and authorized by the Head of Agency and/or the Board of Trustees as herein provided, shall be regarded as a unique and special case, and is thereby exempted from all laws, rules and regulations regarding government procurement.

The Museum, as a general rule, shall be allowed to procure collections items by means of direct negotiation with the owners of such items, or their duly designated agents or representatives, in the Philippines and abroad, as follows:

- a) A written and signed quotation for the sale of the item(s), shall be issued and addressed to the Museum by the owner, or his or her agent or representative;
- b) A certification that the item to be acquired is of appropriate significance to the Museum and of importance to the heritage and patrimony of the Filipino people, that the negotiated price is reasonable and fair, that no conflicts of interest as may be defined by prevailing laws, rules and regulations exist, and that the item in question has not been illegally acquired or trafficked, shall be issued by the Head of Agency;
- c) For items above One Million Philippine Pesos (P1,000,000) or its foreign currency equivalent in price, the Head of Agency shall recommend in writing to the Board of Trustees the issuance of a resolution for the approval in principle of the transaction; items under this amount may be procured upon the sole authority of the Head of Agency *provided*, that there is no “splitting” as defined in pertinent procurement laws, rules and regulations;
- d) A resolution of the Board of Trustees approving in principal the purchase of the concerned item by the Museum and authorizing the signing by Head of Agency of a Deed of Sale as well as all other documents to the transaction shall be issued for items above One Million Philippine Pesos (P1,000,000) or its foreign currency equivalent in price;
- e) A resolution of the Bids and Awards Committee of the Museum verifying that the aforementioned documents, where applicable, have been produced, certifying as to the availability of funds, and authorizing the issuance of a Notice of Award pertaining to the purchase of the item(s) for the signature of the Head of Agency, shall be issued;
- f) After the Notice of Award has been issued, the execution of the Deed of Sale by the Head of Agency shall be made, after which the Bids and Awards Committee of the Museum shall issue the Notice to Proceed which, once signed by the Head of Agency, shall authorize the processing of payment in Philippine or foreign currency to the seller; receipt of payment in Philippine or foreign currency shall be acknowledged by an official receipt or, in cases where the issuance of an official receipt is not possible, any legal equivalent;
- g) Payment for collections items made under this provision shall be made by the National Museum gross of any deductions for tax. It shall be the sole responsibility of the owner, or

his agent or representative, to pay all direct and indirect taxes owed to Philippine and pertinent foreign authorities from the sale of the item as may be due under existing, laws, rules and regulations of the Philippines and any pertinent foreign jurisdiction; and

- h) Certified true copies of all the aforementioned documents shall be posted within the designated public place of the Museum and on its official website for at least six (6) months, as well as transmitted to the Commission on Audit through the resident auditor of the Museum, the Department of Budget and Management, the Government Procurement Policy Board, the Bureau of Internal Revenue and, if the item has been acquired from abroad and is being imported into the Philippines, the Bureau of Customs.

SEC. 25. Movable Cultural Properties and Collections of the National Government. - All movable cultural properties, including natural history specimens, owned by the National Government that fall within the coverage of the Museum as provided for in Republic Act No. 10066 and this Act, particularly works of fine and applied art, archaeological and historical artifacts, relics of built heritage, and ethnographic materials of national significance, shall be registered with the Museum and form part of a general inventory and catalogue of national government collections in these areas that will be produced and published by it within three (3) years of the effectivity of this Act, and updated annually thereafter to incorporate any changes as reported by the agencies concerned to the Museum. Such national government collections shall be considered as being held in trust for the Filipino people and shall not be alienated or otherwise disposed of without the approval of the Museum, in accordance its policies on de-accessioning as provided for in this Act.

The Museum shall have the authority to request the transfer or loan of any such national government collections, or any item pertaining thereto, for purposes of protection, preservation, study or public exhibition, and such requests shall be given the very highest consideration by the head of the agency concerned. Likewise, all agencies of the National Government are enjoined to offer for transfer or loan to the Museum such items of movable cultural property as they may possess, in support of the aforementioned purposes and the mandate of the Museum.

SEC. 26. Commercial Operations of the Museum. – The National Museum shall be authorized to undertake commercial operations, the proceeds of which shall be credited to the Museum Income Fund as established herein, and which shall include but not be limited to the following:

- a) The rental of dedicated areas for external events, functions and similar activities, the terms and conditions for which shall be prescribed by the Museum according to a schedule of fees approved by the Board of Trustees;
- b) The lease of dedicated areas for the erection and operation of commercial establishments, which the Museum shall be allowed to award, through public bidding, and giving preference to non-profit organizations of a nature related to or supportive of its mandate, for a term of up to five (5) years per contract;
- c) The lease of dedicated areas for the erection and operation of vehicular parking, which the Museum shall be allowed to award, through public bidding, to qualified firms, for a term of up to five (5) years per contract; and
- d) The production and/or licensing of official merchandise, including publications and audio-visual media, which the Museum shall be allowed to award, through public bidding, and giving preference to non-profit organizations of a nature related to or supportive of its mandate, for a term of up to five (5) years per contract.

The Museum shall be authorized to outsource, through public bidding, all general, non-museological, property management, including security and maintenance operations, pertaining to its real properties, particularly its National Museum Complex in Rizal Park, Manila, for a term of up to five (5) years per contract, the funds for which shall be provided by general appropriations in each year.

SEC. 27. Personnel Training, Development and Performance Incentives. – The Museum shall undertake training and development programs to upgrade the capabilities of its personnel in the various functions of the Museum. Personnel shall be allowed to train or study, in the Philippines or abroad, on official time, subject to the needs of the service, upon approval of the Director-General of the Museum.

Museum personnel belonging to the Scientific Career System shall be allowed one (1) year of paid sabbatical leave for every five (5) years of at least very satisfactory service in the Museum, *provided*, that the said sabbatical leave shall contribute appropriately towards the scientific research agenda of the Museum and be embodied in a legally-binding instrument to that effect to be approved by the Director-General of the Museum.

A system of monetary incentives is hereby established for the Museum to reward superior performance and milestones of professional development on the part of management and administrative and technical personnel of the Museum, as follows:

- a) The equivalent of one (1) month's basic salary for those persons whose performance has been rated as outstanding for the year.
- b) The equivalent of six (6) month's basic salary, or Two Hundred and Forty Thousand Philippine Pesos (P240,000), whichever is higher, for those persons who have attained a doctoral-level degree from a reputable institution of higher education, henceforth and within the period of five (5) years prior to the effectivity of this Act, *provided*, that the person concerned was in the employ of the Museum, either by virtue of permanent or temporary appointment, or under contract, at the time that the said degree was conferred.
- c) The equivalent of two (2) month's basic salary, or Eighty Thousand Philippine Pesos (P80,000), whichever is higher, for those persons who have attained a masteral-level degree from a reputable institution of higher education, henceforth and within the period of five (5) years prior to the effectivity of this Act, *provided*, that the person concerned was in the employ of the Museum, either by virtue of permanent or temporary appointment, or under contract, at the time that the said degree was conferred.
- d) The equivalent of one (1) month's basic salary, or Forty Thousand Philippine Pesos (P40,000), whichever is higher, for those persons who have attained a bachelor-level degree from a reputable institution of higher education, henceforth and within the period of five (5) years prior to the effectivity of this Act, *provided*, that the person concerned was in the employ of the Museum, either by virtue of permanent or temporary appointment, or under contract, at the time that the said degree was conferred.
- e) The amount of One Hundred and Twenty Thousand Philippine Pesos (P120,000) for those persons cited as sole author of a scholarly paper published in a peer-reviewed journal of international standing, not to include the scholarly journals of the Museum itself or of any agency of the National Government.

- f) The amount of Eighty Thousand Philippine Pesos (P80,000) for those persons cited as principal author of a scholarly paper published in a peer-reviewed journal of international standing, not to include the scholarly journals of the Museum itself or of any agency of the National Government.
- g) The amount of Forty Thousand Philippine Pesos (P40,000) for those persons cited as secondary author of a scholarly paper published in a peer-reviewed journal of international standing, not to include the scholarly journals of the Museum itself or of any agency of the National Government.
- h) The amount of Forty Thousand Philippine Pesos (P40,000) for those persons who have authored a scholarly paper that has been accepted for presentation, and actually personally presented by that person, at an international conference or its equivalent where such acceptance has been made objectively on the merits of the same rather than on the basis of affiliation with the Museum.
- i) The amount of Twenty Thousand Philippine Pesos (P20,000) for those persons who have authored a scholarly paper that has been accepted for presentation, and actually personally presented by that person, at a national conference or its equivalent where such acceptance has been made objectively on the merits of the same rather than on the basis of affiliation with the Museum.
- j) The amount of Twenty Thousand Philippine Pesos (P20,000) for those persons who have authored a scholarly paper that has been accepted for presentation as a poster-presentation at an international or national conference or its equivalent where such acceptance has been made objectively on the merits of the same rather than on the basis of affiliation with the Museum.
- k) The equivalent of six (6) month's basic salary for those persons who have been appointed as an Academician of the National Academy of Science and Technology.
- l) The equivalent of three (3) month's basic salary for those persons who have been appointed as a Career Scientist within the Scientific Career System of the Department of Science and Technology.
- m) The equivalent of one (1) month's basic salary for those persons who have attained Career Executive Service Eligibility as conferred by the Career Executive Service Board.
- n) The equivalent of three (3) month's basic salary for those persons who have been conferred an award or equivalent recognition of international importance relative to their service and work in the Museum, where such award has been made objectively on the merits of the same rather than on the basis of affiliation with the Museum.
- o) The equivalent of one (1) month's basic salary for those persons who have been conferred an award or equivalent recognition of national importance relative to their service and work in the Museum, where such award has been made objectively on the merits of the same rather than on the basis of affiliation with the Museum.

All the monetary incentives provided for above shall be sourced from any available and allowable sources of funding, including the General Fund, Museum Income Fund, Museum Donations Fund and Museum Endowment Fund. All cases where incentives have been earned shall be properly verified by appropriate procedures to be established by the Director-General of the Museum and certified to that effect by the Director-General, or in the case of the Agency Management by the Board of Trustees itself. The granting of all monetary incentives shall be approved of the Board of Trustees.

Upon effectivity of this Act, the schedule of these incentives may be hereafter adjusted and additional incentives established where necessary or appropriate, to be endorsed by the Board of Trustees for the approval of the Department of Budget and Management.

SEC. 28. De-accessioning Policy. – The Museum may provide for a de-accessioning policy with regard to its collections, except in those cases where it is restricted by terms of donations or by prevailing laws. The de-accessioning of any item shall require the approval of the Board of Trustees.

SEC. 29. Special Budget and Audit Rules Applicable to the Museum. – Recognizing the unique status and special needs of the Museum, the Commission on Audit, Department of Budget and Management and the National Museum shall formulate special rules as not specifically provided herein that enhance and implement the legislative intention to provide the Museum complete and full flexibility and fiscal autonomy in accordance with generally accepted rules and practices applicable to similar institutions. Such rules shall be drafted and promulgated whenever the need may arise as identified by any of the aforementioned entities.

SEC. 30. Reorganization of the Museum. – Except where the provisions of Section 17 of this Act shall apply, the Board of Trustees shall be allowed whenever there is, in its judgement, a need for such, to propose a reorganization of the Museum, or changes to its organizational structure or staffing pattern, to be endorsed to the Department of Budget and Management for its approval.

SEC. 31. Transfer of Regulatory Functions to the National Commission for Culture and the Arts. – All regulatory functions of the Museum, as provided for by Republic Act No. 8492, Republic Act No. 9105, Republic Act No. 10066 and all other laws and issuances, are hereby transferred to the National Commission for Culture and the Arts, together with concerned organizational units and regular plantilla items in the central office of the Museum.

This section notwithstanding, the Museum is enjoined to provide all technical and expert assistance within its mandated competencies as the National Commission for Culture and the Arts may require in the execution of the said regulatory functions.

It shall be a matter of policy that the Museum not be mandated to engage in any regulatory function, except that which is prescribed in Section 25 of this Act pertaining to national government collections, but shall rather focus exclusively on developing itself as the premier museum institution and repository of the State in the areas provided herein and by other laws.

SEC. 32. Repealing Clause. – Pertinent provisions of Republic Act No. 8492, Republic Act No. 9105, Republic Act No. 10066 and all other laws and issuances to the extent that they be inconsistent with this Act, are hereby repealed or amended accordingly.

SEC. 33. Separability Clause. – If, for any reason, any part or provision of this Act is declared invalid or unconstitutional, the parts or provisions not affected thereby shall remain in full force and effect.

SEC. 34. Effectivity Clause. – This Act shall take effect fifteen (15) days following its publication in the Official Gazette or in two (2) newspapers of general circulation, whichever comes first.

Approved,