

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

SEVENTEENTH CONGRESS
First Regular Session
HOUSE BILL NO. 1019

HOUSE OF REPRESENTATIVES	
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Introduced by Hon. LEOPOLDO N. BATAOIL

EXPLANATORY NOTE

This Bill Amending R.A. No. 10086, Strengthening People's Nationalism Through Philippine History Act, addresses two weaknesses in the law that constrain the National Historical Commission of the Philippines from attaining its objective and effectively delivering its services.

First, Section 24 of R.A. No. 10086 imposes a one-million-peso (Php 1,000,000.00) cap or ceiling on the revolving fund of the Commission (NHCP), which is sourced from the proceeds of publications, entrance fees and donations, and fees for technical services, conferences and workshops, and similar income. The law provides that any income in excess of this cap "shall be remitted to the National Treasury and accrue to the General Fund."

Second, Section 17(e) requires the Deputy Executive Director of the NHCP to possess career executive service officer (CESO) eligibility as a qualification for the position.

On the Cap on the Revolving Fund

By today's standards and especially in light of the museum modernization program of the NHCP, a ceiling of one million pesos is insufficient to augment the cost of maintaining its 22 museums, let alone other projects of the Commission. Worse, it becomes a disincentive for the NHCP to even collect entrance fees that would enable it to be less dependent on the national government for the maintenance of its shrines and museums.

Indeed, the cap renders meaningless Presidential Administrative Order No. 31 (dated 1 October 2012), directing all departments, bureaus, commissions and instrumentalities of the National Government to rationalize their fees and charges, increase their existing rates and impose new fees and charges. Higher revenue generation by the NHCP from new rates will not improve its cost-recovery and fiscal performance, because all income in excess of one million pesos will simply go to the National Treasury—contrary to the lawful purpose for which the fees and donations were collected.

In the particular case of donations, Sec. 24 of R.A. No. 10086 runs counter to the legal principle that donations given and accepted for a specific purpose shall be used or disbursed for that purpose alone. By channeling donations received by the NHCP to the General Fund, R.A. No. 10086 effectively diverts the donations from their intended purpose. This is not just contrary to law; it is also a deterrent to potential donors who would understandably like to see the full proceeds of their donations accrue to the NHCP alone. Another consequence is that donors will tend to limit their donations to small amounts, to ensure that no "excess" will get diverted to the National Treasury for other purposes.

A review of more or less analogous statutes, moreover, shows that no cap or ceiling, of whatsoever amount, is imposed on similar income generated by the following entities:

1. Philippine Amateur Athletic Federation and its National Sports Associations, under R.A. No. 3135 (1961 Revised Charter of the Philippine Amateur Athletic Federation;
2. Philippine Sports Commission and its National Sports Associations, under R.A. No. 6847 (Philippine Sports Commission Act of 1990);
3. Philippine Science High School System, under R.A. No. 9036, which strengthened said System in 2001;
4. Film Development Council of the Philippines, under R.A. No. 9167, which created said Council in 2002;
5. Philippine National Ear Institute, under R.A. No. 9245 (Philippine Ear Research Institute Act of 2003);
6. Mindanao Development Authority, under R.A. No. 9996 (Mindanao Development Authority Act of 2010), approved on 17 February 2010;
7. National Commission on Muslim Filipinos, under R.A. No. 9997 (National Commission on Muslim Filipinos Act of 2009), approved on 18 February 2010;
8. Philippine National Red Cross, under R.A. No. 10072 (Philippine Red Cross Act of 2009), approved on 20 April 2010;

9. Girl Scouts of the Philippines, under R.A. No. 10073 (Girl Scouts of the Philippines Charter of 2009), approved on 20 April 2010; and
10. Philippine Rubber Research Institute, under R.A. No. 10089 (Philippine Rubber Research Institute Act of 2010).

The National Museum has a cap on its revolving fund, higher (two million pesos) than the NHCP's. The excess, moreover, is not directed by law to be remitted to the National Treasury as in the case of the NHCP. Instead, the Board of Trustees of the National Museum is allowed to dispose of unappropriated money as the Board deems best suited for the promotion of the purpose of the Museum. In the case of the National Museum, therefore, the revolving fund is constituted wholly for the use of the National Museum, not for the enrichment of the National Treasury.

Finally, the ceiling of one million pesos on the NHCP's revolving fund implies how lowly the nation values its history and heritage.

On the CESO Eligibility of the Deputy Executive Director

The position of the NHCP Deputy Executive Director is classified as a second-level executive/managerial position which, per the Civil Service Commission's Memorandum Circular No. 13 of 2011 (Policies for Executive/Managerial Positions in the Second Level), does not require CESO eligibility. Between the general CESO eligibility requirement and the more specific requirement of knowledge of and experience in the field of Philippine history and heritage, the NHCP prefers the latter.

Consequently, the following amendments are strongly recommended to the Honorable Members of this august Senate:

- (1) that Section 24 of R.A. No. 10086 be amended to remove the one-million-peso cap AND delete the proviso requiring the remittance of excess income to the General Fund of the National Treasury; and
- (2) that Section 17(e) of R.A. No. 10086, requiring the Deputy Executive Director of the NHCP to possess as a qualification career executive service officer (CESO) eligibility, be completely deleted.



LEOPOLDO N. BATAOIL

Representative, 2nd District of
Pangasinan

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

SEVENTEENTH CONGRESS
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Introduced by Hon. LEOPOLDO N. BATAOIL

AN ACT
AMENDING REPUBLIC ACT NO. 10086 ENTITLED "AN ACT
STRENGTHENING PEOPLES' NATIONALISM THROUGH PHILIPPINE
HISTORY BY CHANGING THE NOMENCLATURE OF THE NATIONAL
HISTORICAL INSTITUTE INTO THE NATIONAL HISTORICAL
COMMISSION OF THE PHILIPPINES, STRENGTHENING ITS POWERS
AND FUNCTION, AND FOR OTHER PURPOSES".

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

SECTION 1. Section 24 of R.A. No. 10086 entitled "An Act Strengthening Peoples' Nationalism Through Philippine History by Changing the Nomenclature of the National Historical Institute into the National Historical Commission of the Philippines, Strengthening its Powers and Functions, and For Other Purposes," is hereby amended to read as follows:

"SEC. 24. Revolving Fund. – The income of the NHCP derived from the proceeds of publications, park entrance fees and donations, the rendering of technical services, conferences and workshops and similar income shall be constituted as a

revolving fund to augment the projects where the income was derived, subject to government auditing rules and regulations.”

SEC. 2. Section 17(e) of R.A. No. 10086, requiring the Deputy Executive Director of the NHCP to possess as a qualification career executive service officer (CESO) eligibility, is completely deleted.

SEC. 3. *Repealing Clause.* – All laws, executive orders, rules and regulations inconsistent with or contrary to this Act, as amended, are hereby repealed or amended accordingly.

SEC. 4. *Effectivity Clause.* – This Act shall take effect fifteen (15) days after its publication in at least two newspapers of general circulation.

Approved,