

Republic of the Philippines  
**HOUSE OF REPRESENTATIVES**  
Constitution Hills, Quezon City

**SEVENTEENTH CONGRESS**  
First Regular Session

HOUSE BILL NO. 2141

<b>HOUSE OF REPRESENTATIVES</b>	
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**Introduced by Honorable Mark O. Go**

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### **EXPLANATORY NOTE**

This bill seeks to repeal Republic Act 7834 and integrate the Technology Institutions of the Technical Education and Skills Development Authority (TESDA) of the Cordillera Administrative Region (CAR); particularly the Baguio City School of Arts and Trades, the Regional Training Center-Baguio, the Provincial Training Centers at Abra, Ifugao, Kalinga, and Mountain Province, and the Apayao Training Center of the Local Government Unit of Apayao into a state institute to be known as the Cordillera State Institute of Technical Education (CSITE).

The establishment of CSITE is a strategic direction that will enhance the capability of the public Technology Institutions in CAR to ensure the delivery of quality, relevant and higher-level Technical Vocational Education and Training (TVET) programs that develop technically competent, innovative and creative workforce.

The governance of CSITE over integrated institutions will effect greater synergy and support system, higher operational efficiency and effectiveness in the planning and delivery of higher level TVET programs with wider array of academic course offerings that relate to the key employment generators in the region and the country.

This measure responds to the national direction provided in the National Technical Education and Skills Development Plan (NTESDP) 2011-2016 which is to develop technically competent, innovative and creative Filipino workforce for the 21<sup>st</sup> century through technology-biased and higher technical education and skills development.

This proposed measure takes cognizance of the objectives and intention of a similar bill which was filed during the 16<sup>th</sup> Congress.

In view of the foregoing, immediate consideration and passage of this bill is earnestly sought.

  
**MARK O. GO**

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**AN ACT**

**REPEALING REPUBLIC ACT 7834 AND ESTABLISHING THE CORDILLERA STATE INSTITUTE OF TECHNICAL EDUCATION INTEGRATING THE TECHNOLOGY INSTITUTIONS OF THE TECHNICAL EDUCATION AND SKILLS DEVELOPMENT AUTHORITY IN THE CORDILLERA ADMINISTRATIVE REGION, PROVIDING FOR ITS POWERS, STRUCTURE AND FUNDS THEREFOR**

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

**SECTION 1. Establishment.** – The Technology Institutions of the Technical Education and Skills Development Authority in the Cordillera Administrative Region consisting of the Baguio City School of Arts and Trades, the Regional Training Center-Baguio, the Provincial Training Centers in Abra, Ifugao, Kalinga and Mountain Province, and the LGU Provincial Training Center in Apayao are hereby integrated to establish the Cordillera State Institute of Technical Education, hereinafter referred to as the Institute.

**SEC. 2. Statement of Goals and Objectives.** – It is the goal and objective of this Act to:

- a. Establish a state institute of technical education in the Cordillera Administrative Region with a stronger and single system of governance that would bring about greater synergy among the integrated public technology institutions with improved operational efficiency and enhanced organizational competitiveness;
- b. Increase absorptive capacity and institutional capability to address the growing and changing demand for accessible, quality and relevant technical-vocational education and training in the region;
- c. Deliver higher technical education and vocational training programs in line with the skills priorities and key employment generators of the region, the

Philippine Standards Occupational Classification and international labor requirements and standards;

- d. Promote and enhance partnership with local and international technical education institutions to encourage mutual agreements for benchmarking and program exchange and development; and
- e. Strengthen industry collaboration in the development of curriculum and delivery of internship programs to equip graduates with competencies that are responsive to the needs of the job market.

**SEC. 3. Mandate.** – The Institute shall primarily provide accessible, relevant and high quality Technical-Vocational Education and Training at the technical diploma and national certificate levels that would develop technically competent, innovative and creative technicians and skilled workforce in the Cordillera Region. It shall also undertake creative and innovative programs in research and extension services, provide progressive leadership in its areas of specialization, and deliver programs and services following policies set forth by its Governing Board and TESDA.

**SEC. 4. Institutional Academic Freedom and Autonomy.** – The Institute shall enjoy academic freedom and institutional autonomy pursuant to paragraph 2, Section 5 of Article XIV of the Constitution of the Republic of the Philippines.

**SEC. 5. Curricular Offerings.** – The Institute shall offer post-secondary technical education courses on vocational training programs as the Board of Trustees may deem necessary to carry out its objectives, particularly to meet the needs of the region for technicians and semi-professional workers for the various economic sectors.

**SEC. 6. Administration.** – The Institute shall have the general powers of a corporation set forth in Batas Pambansa Blg. 68, otherwise known as the “Corporation Code of the Philippines”. The administration of the Institute and the exercise of its corporate powers shall be vested exclusively in the Board of Trustees and the Executive Director of the Institute.

**SEC. 7. Governance.** – The Governing Board of the Institute shall be the Board of Trustees, hereinafter referred to as the Board, which shall be composed of the following:

- (a) The Director-General of the Technical Education and Skills Development Authority (TESDA), Chairperson;
- (b) The Executive Director of the Institute, Vice Chairperson;
- (c) The Committee Secretary of the Committee on Labor, Employment and Human Resources Development of the Senate, Member;
- (d) The Committee Secretary of the Committee on Higher and Technical Education of the House of Representatives, Member;
- (e) The Regional Director of the Technical Education and Skills Development Authority (TESDA)

- (f) The Regional Director of the National Economic and Development Authority (NEDA), Member;
- (g) The Regional Director of the Department of Science and Technology (DOST), Member;
- (h) The Administrator of the Philippine Export Zone Authority (PEZA) in Baguio City, Member;
- (i) The Chairman of the CAR Regional Development Council
- (j) The Chairman of the Cordillera Regional Chamber of Commerce; Member
- (k) A representative from the labor/workers sector, Member; and
- (l) A representative from the employer/industry sector

The Board shall appoint the representatives for the labor/workers and employer sectors from among the lists of at least five (5) qualified persons, as recommended by the search committee constituted by the Executive Director of the Institute, in consultation with the Chairperson and the other Members of the Board, based on the normal standards and qualifications for the position. They shall serve for a term of two (2) years from the date of their appointment.

The Chairman of the Cordillera Regional Chamber of Commerce shall serve in the Board only for the duration of his/her term of office, as set forth in their respective constitutions and by-laws.

**SEC. 8. Powers and Duties of the Board of Trustees.** – The Board shall have the following specific powers and duties, in addition to its general powers of administration and the exercise of all the powers granted to the board of directors of a corporation under existing laws:

(a) To promulgate and implement policies in accordance with the declared State policies and the pertinent provisions of the Philippine Constitution on education, agriculture, science and technology, as well as the policies, standards and thrusts of the TESDA under Republic Act No. 7796, otherwise known as the "Technical Education and Skills Development Act of 1994";

(b) To adopt and implement measures that would provide greater access to poor but deserving students;

(c) To approve the curricula, instructional programs and rules of discipline drawn by the Management Committee as herein provided;

(d) To set up the adoption of modern and innovative modes of transmitting knowledge and skills such as the use of information technology, the dual learning system, open learning or distance education and community laboratory for the promotion of greater access to technical-vocational education and training;

(e) To receive and appropriate all sums as may be provided for the support of the Institute, in the manner it may determine in its discretion, in order to carry out the purposes and functions of the Institute;

(f) To receive in trust legacies, gifts and donations of real and personal properties of all kinds and to administer and dispose of the same when necessary for the benefit of the Institute, and subject to the limitations, directions and instructions of the donor, if any;

(g) To fix the tuition/training fees and other necessary school charges such as, but not limited to, matriculation fees, graduation fees and laboratory fees, as the Board may deem proper to impose, after due consultations with the involved sectors and authorities and concerned government authorities;

Such fees and charges, including government subsidies and other income generated by the Institute, shall constitute its revolving fund and shall be deposited in any authorized government depository bank, and all interests that shall accrue therefrom shall form part of the same funds for the use of the Institute.

Any provision of existing laws, rules and regulations to the contrary notwithstanding, any income generated by the Institute from tuition/training fees and other charges, as well as from the operation of auxiliary services and land grants, shall be retained by the Institute and may be disbursed by the Board for instruction, research, extension or other programs or projects of the Institute: *Provided*, That all fiduciary fees shall be disbursed for the specific purposes for which these are collected.

If, for reasons beyond its control, the Institute shall not be able to pursue any project for which funds have been appropriated and allocated under its approved programs of expenditures, the Board may authorize the use of said funds for any reasonable purpose which, in its discretion, may be necessary and urgent for the attainment of the objectives and goals of the Institute;

(h) To authorize the construction or repair of its buildings, machinery, equipment and other facilities, and the purchase and acquisition of real and personal properties, including necessary supplies, materials and equipment;

(i) To appoint, upon recommendation of the Executive Director of the Institute, other officials and employees of the Institute;

(j) To delegate any of its powers and duties to the Executive Director and other officials of the Institute as it may deem appropriate, so as to expedite the administration of the affairs of the Institute;

(k) To collaborate with other Governing Boards of both private and state universities and colleges within the Cordillera Administrative Region, under the supervision of TESDA and CHED and in consultation with the DBM, for continuing education programs, ladderized interface, and other initiatives;

(l) To enter into joint ventures with business and industry for the profitable development or management of the economic assets of the Institute, such as the



establishment of income generating projects, the proceeds from which shall be used for the development and strengthening of the Institute;

(m) To develop consortia and other forms of economic linkages with the City Government of Baguio and the local government units (LGUs) in the Cordillera Region, institutions and agencies, both public and private, local and foreign, in furtherance of the purposes and objectives of the Institute; and

(n) To promulgate rules and regulations not contrary to law as may be necessary to carry out the purposes and functions of the Institute;

**SEC. 9. Meetings of the Board.** – The Board shall meet at least twice a year. Whenever necessary, the Chairperson of the Board may call, upon three (3) days' prior written notice, special meetings.

A quorum of the Board shall consist of majority of all its members holding office at the time of the meeting: *Provided*, That the Chairperson of the Board or the Executive Director of the Institute is among those present in the meeting.

In the absence of the Chairperson of the Board, the Director General of TESDA shall designate a TESDA representative with all the rights and responsibilities of a regular member: *Provided, however*, that during this meeting, the Executive Director of the Institute as Vice Chairperson shall be the Presiding Officer.

The members of the Board shall not receive any salary but shall be entitled to honorarium and reimbursements for actual and necessary expenses incurred, either in their attendance to meetings of the Board or in connection with other official business authorized by resolution of the Board, subject to existing laws and regulations.

**SEC. 10. The Executive Director.** – The Institute shall be headed by an Executive Director who shall render fulltime service as a career official with the rank and emoluments as that of a Director IV. He or she shall be appointed by the Board in accordance with the guidelines, qualifications and standards set by the Board and Civil Service rules and regulations, upon recommendation of a duly constituted search committee,.

In case of vacancy in the Office of the Executive Director by reason of death, retirement, resignation, removal for cause or incapacity of the Executive Director to perform the functions of the office, the Board shall designate an Officer-in-Charge of the Institute pending the appointment of a new Executive Director.

**SEC. 11. Deputy Executive Directors.** – The Executive Director of the Institute shall be assisted by the Deputy Executive Directors for General Administration and Services, and Academic Affairs and Development. They shall render fulltime service as career officials with the rank and emoluments as that of a Director II. They shall

be appointed by the Board upon recommendation of the Search Committee and the Executive Director in accordance with the guidelines, qualifications and standards set by the Board and Civil Service rules and regulations.

#### **SEC. 12. Campus Sites and Directors. –**

The merger of the Baguio City School of Arts and Trades and the TESDA Regional Training Center-Baguio shall form the Main Campus of the Institute. It shall have its extension campuses at the provinces of Abra, Apayao, Ifugao, Mountain Province, and Kalinga.

The TESDA Provincial Training Centers in Abra, Ifugao, Kalinga, and Mountain Province shall be converted as the provincial campuses, respectively. With the concurrence of the Provincial Government of Apayao, LGU-run Provincial Manpower Training Center shall be absorbed by the Institute and become the provincial Campus for Apayao.

The Main Campus shall be headed by a Campus Director who shall render fulltime service as a career official with the rank and emoluments as that of a Director II. Each extension campus shall be headed by a Campus Director who shall render fulltime service as a career official with the rank and emoluments as that of a Director I. They shall be appointed by the Board upon recommendation of the Search Committee and the Executive Director in accordance with the guidelines, qualifications and standards set by the Board and Civil Service rules and regulations.

**SEC. 13. The Secretary of the Institute. –** The Board shall appoint a Secretary who shall serve as such for both the Board and the Institute and who shall keep all records and proceedings of the Board. The Secretary shall serve the appropriate notice of Board meetings upon each member of the Board.

**SEC. 14. The Treasurer of the College. –** The Treasurer of the Philippines shall be the *ex officio* Treasurer of the Institute.

**SEC. 15. The Faculty. –** The faculty shall refer to the personnel performing teaching functions following the staffing pattern from instructor to professor positions.

The Department of Budget and Management shall set a system for position reclassification and upgrading of personnel, that is appropriate to the nomenclature of technical education institution. Appropriate orders and circulars shall apply to promotions or upgrading of positions for the faculty and other teaching positions.

No political belief, gender preference, cultural or community affiliation or ethnic origin, and religious opinion or affiliation shall be a matter of inquiry in the appointment of trainers and faculty members of the Institute: *Provided*, That said appointment shall be subject to the guidelines, qualifications and standards set by the Board and the Civil Service Commission: *Provided, further*, That no member of the faculty shall teach for or against any particular church or religious sect.

**SEC. 16. Scholarship Program and Admission.** – The Institute shall provide an institution-based scholarship program and other affirmative action programs. It shall coordinate with TESDA, the Local Government Units in the Cordillera Region, Offices of the Congressional District Representatives, National Agencies, and sponsoring private organizations and industries for scholarships to assist poor but deserving students who qualify for admission to the Institute.

**SEC. 17. Assets, Liabilities and Personnel.** – The campuses and all assets, real or personal, personnel and records, as well as liabilities and obligations of the Baguio City School of Arts and Trades, the TESDA Regional Training Center in Baguio City, the TESDA Provincial Training Centers in Abra, Ifugao, Kalinga and Mountain Province, and the LGU Provincial Training Center in Apayao are hereby transferred to the Cordillera State Institute of Technical Education.

The affected personnel shall, in a holdover capacity, continue to perform their respective duties and responsibilities and receive their corresponding salaries and benefits until such time when the organizational structure and staffing pattern of the Institute shall have been approved by the Board. Provided, that the preparation and approval of the said new organizational structure and staffing pattern shall, as far as practicable, respect the positions, rights and security of tenure of the affected personnel.

The parcels of land presently occupied by the operating units integrated under this Act are hereby declared to be property of the Cordillera State Institute of Technical Education, and shall be titled under that name: *Provided*, That should the Institute cease to exist or be abolished, or should said parcels of land be no longer needed by the Institute, the same shall revert to the national government or LGU concerned.

**SEC. 18. Tax Exemption on Importation and Donations.** – The importation of economic, vocational, trades and crafts, and technical and technology books or publications, which are for economic, vocational, trades and crafts, and technical or technology purposes made by the Institute, upon certification by TESDA, shall be exempt from customs duties in accordance with the provisions of the Tariff and Customs Code of the Philippines, as amended.

All donations in any form to the Cordillera State Institute of Technical Education shall be exempt from the donor's tax and the same shall be considered as allowable deduction from the gross income in the computation of the income tax of the donor, in accordance with the provisions of the National Internal Revenue Code of 1997, as amended.

**SEC. 19. Appropriations.** – The amount necessary to carry out the provisions of this Act shall be included in the General Appropriations Act. The initial amount of One Hundred Fifty Million (P 150,000,000.00) shall be appropriated to cover the requirement for Personnel Services, Maintaining Operating and Other Expense and



Capital Outlay during its first year of operation. The appropriation for Capital Outlay shall be continuing to facilitate the need for classrooms, laboratories and equipment.

**SEC. 20. TESDA Monitoring and Evaluation.** – TESDA shall conduct regular monitoring and evaluation to determine continuing compliance with the requirements of the Unified TESDA Program Registration and Accreditation System, Competency Assessment and Certification program and other relevant policies and to impose necessary sanctions.

**SEC. 21. Implementing Rules and Regulations.** – The governing Board of the Institute, in consultation with TESDA, shall formulate the guidelines to fully implement the provisions of this Act.

**SEC. 22. Transitory Provisions.** –

a) Within two (2) months after the approval of this Act, the members of the Board and the Executive Director shall have been appointed;

b) Within two (2) months after the appointment of Board Members, the Board shall issue the rules and regulations for the implementation of this Act, which shall be submitted to both Houses of Congress and the Senate, respectively;

c) Within two (2) months after the approval of the Implementing Rules and Regulations of this Act, the Board shall convene to organize the structure and staffing pattern of the Institute.

**SEC. 23. Separability Clause.** – If, for any reason, any part or provision of this Act is declared invalid or unconstitutional, the remaining parts or provisions not affected thereby shall remain in full force and effect.

**SEC. 24. Repealing Clause.** – Republic Act No. 7834 and all other laws, presidential decrees, executive orders, rules and regulations contrary to or inconsistent with the provisions of this Act are hereby repealed or modified accordingly.

**SEC. 25. Effectivity.** – This Act shall take effect fifteen (15) days after its publication in two (2) newspapers of general circulation.

*Approved,*