

1 **SEC. 5.** It is the duty of every citizen to preserve, conserve and
2 promote the Filipino cultural heritage and resources, including
3 artifacts of Filipino culture and history.

4 **SEC. 6.** Filipino culture shall be independent, egalitarian,
5 non-partisan, ecological, and liberative as it responds to scientific,
6 technological, social, economic and political changes both at the
7 national and international levels.

8 **SEC. 7.** National cultural policies and programs shall:

- 9 a) foster deep respect for the cultural identity of each
10 locality, region or ethno-linguistic community as well as
11 elements assimilated from other cultures thru the natural
12 process of acculturation;
- 13 b) encourage and support the participation of the people,
14 thru their own programs and projects;
- 15 c) create and distribute cultural opportunities equitably,
16 especially to the poor and other cultural development;
17 and
- 18 d) be open to all people and institutions regardless of creed,
19 affiliation, ideology, ethnic origin, age, gender or class to
20 ensure the full flowering of Filipino culture.

21 **SEC. 8.** Artistic and cultural heritage shall be promoted and
22 disseminated among the greatest number of our people through the
23 formal educational system and through extra-scholastic means,
24 including the use of traditional as well as modern means of
25 communication.

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TITLE II

ORGANIZATION OF THE NATIONAL COMMISSION
FOR CULTURE AND THE ARTS AND THE ESTABLISH-
MENT OF THE NATIONAL ENDOWMENT FUND

SEC. 9. *The Commission.* - A National Commission on Culture and the Arts, hereinafter referred to as the Commission, is hereby created to act as a policy-making and implementing body for the development of culture and the arts. The Commission shall be an independent agency. It shall render an annual report of its activities and accomplishments to the President and to Congress.

SEC. 10. *Composition.* - The Commission shall be composed of the following members:

- a) a Chairman to be appointed by the President, who shall be the chief executive officer of the Commission;
- b) the Undersecretary or a representative of the Department of Education, Culture and Sports;
- c) the Undersecretary or representative of the Department of Tourism;
- d) ten (10) professional artists or scholars from the private sector and academe, individually representing each of the general areas of (1) musical arts; (2) visual arts (3) literary arts; (4) theater arts; (5) dance; (6) cinema arts; (7) folk and ethnic arts; (8) cultural heritage; (9) cultural and art education; (10) cultural research and administration, who shall also be appointed by the President.

1 **SEC. 11. Selection of Members.** - To constitute the non-*ex*
2 *officio* membership of the Commission, the President shall create a
3 sectorally and geographically representative *ad hoc* Nomination
4 Committee consisting of six (6) private citizens who are known for
5 their integrity, dedication to, support of, and/or expertise in the arts
6 and culture at least three (3) of them representing cultural workers of
7 stature and five (5) national artists, and shall appoint a chairman
8 from amongst them. Full-time government administrators, except
9 as provided herein, and members of the Nomination Committee
10 shall not be eligible for membership in the Commission.

11 The Nomination Committee shall accept nominations from
12 individuals and duly-constituted organizations, institutions, and/
13 or corporations engaged in culture and the arts, and shall present to the
14 President the best five (5) nominees per category of membership. The
15 President shall appoint the Chairman and members of the Commis-
16 sion only from among the nominees submitted by the Nomination
17 Committee.

18 In the appointment of the members of the Commission, care
19 shall be taken to ensure fair representation of every form of art and
20 culture as well as the various geographic regions.

21 **SEC. 12. Term of Office and Compensation.** - a) The Chairman
22 and non-*ex officio* members of the Commission shall serve for a
23 term of three (3) years. No non-*ex officio* member, including the
24 Chairman, shall serve for more than two (2) successive terms. In the
25 event that the Chairman of the Commission of Arts and Culture or any

1 other member of the Commission does not serve his or her full term,
2 his or her replacement shall be initially appointed only for the
3 unexpired portion of the term, without prejudice to reappointment
4 for a full term.

5 Upon the recommendation of the nomination committee based
6 on a unanimous vote, a non-*ex officio* member of the Commission
7 shall be removed from office by the President. His replacement shall
8 be selected following the process described in Section 11.

9 b) The Chairman, as full-time chief executive officer of the
10 Commission, shall receive an annual compensation equivalent to
11 that of a Cabinet Secretary, exclusive of transportation and
12 representation allowances. The members other than the *ex officio*
13 members of the Commission shall each receive a *per diem* of One
14 thousand pesos (P1,000.00) for actual attendance in the meetings of
15 the Commission but not to exceed Five thousand pesos (P5,000.00) a
16 month, and shall be reimbursed travel expenses incurred for actual
17 attendance of meetings.

18 SEC. 13. *Membership Restrictions.* - During his/her term as
19 a member of the Commission, a Commissioner shall not be
20 eligible for any grant, or such other financial aid from the
21 Commission as an individual: *Provided, however,* That he or she
22 may compete for grants and awards on the same level as other artists
23 two (2) years after his or her term shall have expired.

24 SEC. 14. *Policies.* - The Commission shall formulate policies
25 and plans in accordance with the principles stated in Title I of this

1 Act:

2 a) To encourage the continuing and balanced development
3 of a pluralistic culture by the people themselves, it shall:

4 1. develop and guarantee a climate of freedom by
5 eliminating all forms of censorship inimical to cultural and
6 artistic growth and development;

7 2. extend recognition and economic assistance such as
8 scholarships, awards, seed grants, loans and social security to
9 promote cultural development and protect cultural workers
10 and practitioners of art;

11 3. ensure the wide and equitable distribution among
12 various regions, of resources needed for artistic and cultural
13 activities, and of opportunities for creative expression, such as
14 the establishment of local art or culture centers;

15 4. adopt measures and recommend legislations to protect
16 the intellectual and artistic rights and properties of Filipino
17 artists, cultural workers, and other matters concerning culture
18 and the arts; and

19 5. explore and adopt the best possible structure of relation-
20 ship between the public and the private sector at the local level,
21 taking into account varying socio-cultural situations.

22 b) To conserve and promote the nation's historical and cultural
23 heritage and resources, it shall:

24 1. support and monitor programs on the systematic
25 retrieval and conservation of artifacts of Filipino culture and

1 history and all other Filipino cultural treasures from all over the
2 archipelago and other countries;

3 2. coordinate with and monitor the work of pertinent
4 agencies on the adoption and/or enforcement of legal and other
5 measures and schemes against the defacement, piracy, and
6 illegal transfer or conveyance of historic art and other cultural
7 treasures;

8 3. encourage, support, and monitor programs on the
9 identification and study of endangered human cultural
10 resources (like weavers, dancers, chanters and other craftsmen)
11 as well as the conservation and development of such artistic,
12 linguistic and occupational skills as are threatened with
13 extinction;

14 4. promote and support the establishment, preservation
15 and knowledge of cultural and historical monuments,
16 markers, names and sites;

17 5. encourage and support the establishment and/or
18 maintenance all over the country of museums, libraries and
19 archives, private or public, as repositories, respectively, of all
20 cultural/ historical artifacts and artistic creations, printed
21 works, archival records and all other materials indispensable to
22 the study and evaluation of Philippine culture and history;

23 6. encourage and support scholarly research on and
24 documentation of Philippine cultural traditions, arts and
25 crafts as well as significant cultural movements, achievements

1 and personalities especially in the literary, visual and
2 performing arts and in mass media, as well as the other aspects
3 of Filipino cultures;

4 7. encourage and support the writing of Philippine
5 history from the Filipino perspectives; and

6 8. encourage and support the systematic audio-visual
7 documentation of Filipino cultural expressions in the
8 contemporary period.

9 c) To ensure the widest dissemination of artistic and cultural
10 products among the greatest number across the country and overseas
11 for their appreciation and enjoyment, it shall, with the cooperation of
12 the departments of Education, Culture and Sports, Tourism, Local
13 Governments and Foreign Affairs and all other concerned agencies,
14 public and private:

15 1. cause to be established and developed an intensified
16 arts education program at all levels of the educational system,
17 public and private, to ensure meaningful arts integration across
18 the school curriculum;

19 2. encourage and support programs through publica-
20 tion, exhibition, production, performance, staging, and
21 reproduction of original Filipino creations;

22 3. coordinate and provide technical and/or financial as-
23 sistance for cultural events and related activities such as
24 cultural festivals, competitions, lectures, seminars, fora and
25 symposia;

1 4. encourage and monitor a comprehensive translation
 2 program which shall make works by Filipinos and selected
 3 foreign classics equally accessible to Filipino as well as
 4 international readers;

5 5. promote the popularization of information about
 6 artistic and cultural achievements and programs, in coordina-
 7 tion with government agencies and nongovernment organiza-
 8 tions and institutions;

9 6. reorient tourism programs to become an instrument
 10 for popular education of our people and others about the best
 11 of our heritage and creativity;

12 7. create and support a sustained program of interna-
 13 tional cultural exchange, scholarships, travel grants, and other
 14 forms of assistance.

15 8. promulgate standards and guidelines for the protec-
 16 tion and promotion of Filipino artists, cultural workers, and
 17 creative works in other countries.

18 d) To preserve and integrate traditional culture and its various
 19 creative expressions as a dynamic part of the national cultural main-
 20 stream, it shall:

21 1. help set up or encourage, monitor and subsidize
 22 companion systems at the regional and local levels, intended
 23 to develop traditional cultures such as arts/crafts centers,
 24 preferably in community settings, apart from the usual museum
 25 settings where exponents of living arts and crafts can practice

1 and teach their art and enrich contemporary designs;

2 2. encourage and subsidize cultural research and the
3 retrieval of cultural practices and information (e.g. folklore,
4 dance, music, crafts) through the training of students, teachers
5 and cultural researchers, and their revitalization by practice and
6 performance;

7 3. ensure that the ultimate beneficiaries of all research
8 efforts, tourism programs and other activities affecting cultural
9 communities are the people and the communities that are the
10 subjects of research, and that their cultures are nurtured rather
11 than violated, damaged or exploited; and

12 4. ensure that relevant information is made available to
13 legislators who introduce laws with cultural implications.

14 e) To ensure that standards of excellence are pursued in pro-
15 grams and activities implementing policies herein stated, it shall
16 encourage and support continuing discussion and debate, through
17 symposia, workshop, publications, etc., on the highest norms
18 achievable in the matrix of Philippine art and culture.

19 SEC. 15. *Powers and Functions.* - To carry out its mandate, the
20 Commission shall exercise the following powers and functions:

21 a) Establish a Secretariat, under an Executive Director, for
22 the administrative and day-to-day operations of the Commission;

23 b) Encourage and facilitate the organization of a network of
24 regional and local councils for culture and the arts, hereunder
25 described, to ensure a broad nationwide people-based participation

1 in the formulation of plans, the enforcement of culture-related laws
2 and regulations, the implementation of programs/projects and the
3 review of funding requirements.

4 c) To coordinate the activities of all cultural agencies set up or
5 funded by public funds, including but not limited to the Cultural Center
6 of the Philippines, the Institute of Philippine Languages, the National
7 Historical Institute, the National Museum, the National Library, the
8 National Archives and Records Management Office.

9 d) Create committees and other mechanisms to help expedite
10 the implementation of plans and strategies;

11 e) Call upon and coordinate with other government and with
12 nongovernment art and cultural institutions and agencies for
13 assistance in any form;

14 f) Generate resources, both from the Government and private
15 sector, local, national and international, for its operation as well as
16 for the National Endowment Fund for Culture and the Arts;

17 g) Receive and accept donations and other conveyances includ-
18 ing funds, materials and services, by gratuitous title;

19 h) Administer the National Endowment Fund and give grants
20 for the development, protection, preservation, and dissemination of
21 Philippine culture and the arts, and designate a comptroller;

22 i) Prepare an annual budget of the Commission and submit the
23 same to the President for inclusion in the annual General Appropria-
24 tions Act;

25 j) Advise the President on matters pertaining to culture and

1 the arts, including the creation of a special decoration or award for
2 persons who have significantly contributed to the development and
3 promotion of Philippine culture and the arts; and

4 k) Promulgate rules, regulations and undertake any and all
5 measures as may be necessary to implement this Act.

6 SEC. 16. *The Secretariat.* - The Commission shall organize a
7 Secretariat, consisting of an administrative and research staff to be
8 headed by an Executive Director.

9 a) The Commission shall fix its staffing pattern, determine the
10 duties, qualifications, responsibilities and functions as well as the
11 compensation scheme for the positions to be created;

12 b) The Commission shall appoint the Executive Director and
13 members of the staff; and

14 c) Subject to the guidelines provided, the Executive Director
15 shall recommend the members of the Secretariat.

16 SEC. 17. *Local Councils.* - The Commission shall encourage
17 and facilitate the formation of local councils for culture and the arts in
18 coordination with pertinent public agencies and nongovernment
19 groups in the locality. It shall recognize the role and ensure active
20 participation of the private sector, as well as the adequate representa-
21 tion of all forms of culture and the arts.

22 The provincial and city governments may annually provide
23 from their respective budgets an appropriation for the administrative
24 expenses of the councils and to help support the development of the
25 arts and culture in their respective communities. As empowered by

1 law, they may assign to the development of culture and the arts
2 specified percentage of their share of the total annual collection of all
3 local taxes on amusements.

4 The local councils shall be autonomous in the development
5 and implementation of local art and cultural programs, projects and
6 activities and of fund generation schemes, but shall coordinate with
7 the pertinent regional council regarding region-wide programs and
8 with the Commission on the implementation of national policies,
9 plans and programs.

10 SEC. 18. *Regional Councils.* - There shall be a regional
11 council for culture and the arts in each of the administrative and
12 autonomous regions. It shall consist of the chairmen of the local
13 councils within the region, with the chairman elected by and from
14 amongst them. The regional council shall:

15 a) facilitate interaction, coordination, collaboration
16 among the local councils in the region for the promotion and
17 development of culture and the arts, especially those unique to
18 their respective localities;

19 b) monitor projects, other developments in the arts and
20 local cultures, as well as needs in their respective regions, and
21 accordingly inform or act as their advocate in the Commission;

22 c) participate in the formulation of the Commission's
23 plans and policies;

24 d) provide assistance to the Commission and
25 participate in evaluating proposals for funding;

- 1 e) assist local councils in fund generation activities;
2 f) represent, through its chairman, cultural and artistic
3 concerns in the NEDA Regional Development Council.

4 As with the local councils, members shall serve without compen-
5 sation, but shall be provided reasonable financial assistance for
6 administrative expenses.

7 The Commission shall provide the required resources, includ-
8 ing financial assistance, for their programs, projects and activities
9 subject to policies and guidelines of the Commission.

10 SEC. 19. *The National Cultural Agencies.* - National cultural
11 agencies enumerated in but not limited to those stated in Section 15
12 (c) of this Act, shall be under the supervision of the National Commis-
13 sion on Culture and the Arts, however they shall continue operating
14 under their respective charters or as provided by law where provisions
15 therein are not inconsistent with the provisions of this Act. They shall
16 serve as the national repository of and/or showcase, as the case may
17 be, of the best of Philippine culture and the arts. They shall make
18 their facilities available to accredited cultural and art groups in
19 accordance with their respective rules and regulations in coordina-
20 tion with the Commission. Together, they shall help facilitate the
21 creation of local councils and a regional council in the National
22 Capital Region. For this purpose, these agencies shall submit
23 periodic reports, including recommendations, to the Commission.

24 SEC. 20. *Program Plans.* - The Commission shall within
25 three (3) months after having been officially constituted and finally

1 staffed, adopt and immediately cause to be implemented in coordina-
2 tion with cultural agencies, a short-range program in support of
3 relevant existing projects and activities; and within six (6) months, a
4 long-range three-year development program. This development
5 program shall be developed and subjected to annual review and
6 revision by the Commission in coordination with regional councils as
7 well as public and private cultural agencies and organizations.

8 SEC. 21. *The National Endowment Fund.* - A National
9 Endowment Fund for Culture and the Arts (the Fund) is hereby
10 established exclusively for Philippine art and cultural programs,
11 projects and activities all over the country.

12 a) The contribution to the Fund shall be the following:

13 1. The amount of One hundred million pesos
14 (P100,000,000.00) as seed capital shall be taken from the Phil-
15 ippine Amusement and Gaming Corporation (PAGCOR) fund
16 at Five million pesos (P5,000,000.00) per month for twenty (20)
17 months: *Provided*, That no grant shall be awarded by the
18 Commission except from the interest drawn from the funds:
19 *Provided, further*, That no grants shall be awarded until after
20 one (1) year from the organization of the Endowment Fund.

21 2. Ten percent (10%) of the travel tax collection, the share
22 to be taken from the annual allotment of the travel tax given to
23 the Philippine Tourism Authority.

24 b) Government corporations are hereby authorized to give
25 grants to the Fund at their discretion but not to exceed 15% of their

1 unimpaired surplus;

2 c) The private portion of the Fund shall be raised from donations
3 and other conveyances including funds, materials, property and serv-
4 ices, by gratuitous title;

5 d) Contributions to the Fund shall be deductible for income tax
6 purposes in accordance with the provisions of Section 29 (h) (2) (A)
7 of the National Internal Revenue Code.

8 e) For sound and judicious management of the Fund, the Com-
9 mission shall appoint a reputable government-accredited investment
10 institution as Fund Manager, subject to guidelines promulgated by
11 the Commission.

12 f) The Commission shall be the administrator of the Fund, and
13 as such shall prepare implementing guidelines and decision-making
14 mechanisms, subject to the following:

15 1. Unless otherwise stipulated by the private donor, only
16 earnings of private contributions shall be used.

17 2. No part of the seed capital of the Fund, including
18 earnings thereof, shall be used to underwrite overhead
19 expenses for administration;

20 3. Not more than twenty percent (20%) of the
21 Government's annual contribution to the Fund shall be devoted
22 to administrative functions of the Commission; at least ten
23 percent (10%) shall be earmarked as part of the Fund's capital,
24 and the balance shall be used for its programs and projects;

25 4. The Commission shall organize a separate staff,

1 administratively independent of the Secretariat, to be headed by
2 a Comptroller appointed by and directly responsible and
3 accountable to the Commission.

4 5. There shall be an external auditor to perform an
5 annual audit of its performance.

6 6. The Fund shall be exempt from pre-audit by the
7 Commission on Audit.

8 g) The Commission shall create a sub-committee from amongst
9 its non-*ex officio* members whose function shall be to evaluate and
10 prioritize program/project proposals in accordance with Commission
11 policy guidelines and to approve, subject to the Commission's confir-
12 mation, the financial assistance to be given to each.

13 SEC. 22. *Tax Exemption.* - The Commission shall be exempt
14 on all its income and duty obligations.

15 All materials that are reasonably necessary and are not manu-
16 factured or produced locally for the use of the Filipino artist shall be tax
17 or duty free.

18 SEC. 23. *Transitory Provisions.* - a) All the personnel,
19 properties, assets and liabilities of the President's Commission on
20 Culture and the Arts (PCCA) created by Executive Order No. 118, are
21 hereby transferred to the Commission as its successor-in-interest;

22 b) Within a period of one (1) year after the first meeting of the
23 Commission, it shall harmonize the policies of the Cultural Agencies
24 referred to, but not limited to those enumerated in Section 15 (c) of
25 this Act, with those of the Commission as the over-all policy-making

1 and coordinating body, as herein indicated.

2 SEC. 24. *Separability Clause.* - Any portion or provision of
3 this Act that may be declared unconstitutional shall not have the effect
4 of nullifying other portions or provisions hereof as long as such
5 remaining portions or provisions can still subsist and be given effect in
6 this entirety.

7 SEC. 25. *Saving Clause.* - All laws, rules, regulations, other
8 issuances or parts thereof which are inconsistent with this Act are
9 hereby repealed or modified accordingly. All provisions of Executive
10 Order No. 118 not inconsistent with this Act shall however remain
11 in full force and effect.

12 SEC. 26. *Effectivity.* - This Act shall take effect immediately
13 upon its approval.

Approved,

Senate Archives (KAS)