EXPLANATORY NOTE

Lawmakers of the past tied down a major funding source of the Philippine Sports Commission to the sweepstakes draws of the Philippine Charity Sweepstakes Office (PCSO). The sweepstakes have since become obsolete and is now just a shadow of what it once was. This bill seeks to correct that lapse by updating the PCSO funding provision to the lotto lottery game.

This bill also increases the funds of the PSC by allocating to the National Sports Development Fund the following:

1. ten percent (10%) of the Motor Vehicle Users’ Tax;
2. five percent (5%) of the online cockfighting (e-sabong) regulated by the Philippine Amusement and Gaming Corporation (PAGCOR);
3. five percent (5%) of all taxes collected on imported athletic equipment.

Furthermore, this bill specifically empowers the PSC to explore for, negotiate and secure foreign grants and technical assistance to augment the National Sports Development Fund, in coordination with the Department of Finance and the National Economic and Development Authority.

Finally, this bill introduces the multi-year funding concept into the budgeting and finance of the PSC.
AN ACT
AMENDING SECTION 26 OF REPUBLIC ACT 6847 ALSO KNOWN AS THE PHILIPPINE SPORTS COMMISSION ACT, AND FOR OTHER PURPOSES

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

Section 1. Short Title. - This Act shall be known as the “Sports Finance Act of 2021”.

Section 2. Declaration of Policy. - It is the declared policy of the State to promote physical education, encourage and sustain the development of sports in the country to foster physical fitness, self-discipline, teamwork and excellence for the development of a healthy and alert citizenry through a unified national sports promotion and development program, and that the establishment and creation of a single, unified and integrated national sports policy-making body shall further this objective.

Section 3. Amendment of Section 26, second paragraph of Republic Act 6847. The second paragraph of Section 26 of Republic Act 6847 is hereby amended and shall now read as follows:

To finance the country's integrated sports development program, including the holding of the national games and all other sports
competitions at all levels throughout the country as well as the country's participation at international sports competitions, such as, but not limited to, the Olympic, Asian, and Southeast Asian Games, and all other international competitions, sanctioned by the International Olympic Committee and the International Federations, the Philippine Sports Commission shall derive its annual and multi-year funding from:

1) thirty percent (30%) representing the charity fund and proceeds of six (6) lotto lottery games per annum, taxes on horse races during special holidays;
2) five percent (5%) of the gross income of the Philippine Amusement and Gaming Corporation;
3) ten percent (10%) of the Motor Vehicle Users’ Tax;
4) five percent (5%) of the online cockfighting (e-sabong) regulated by the Philippine Amusement and Gaming Corporation;
5) the proceeds from the sale of stamps as hereinafter provided; and
6) five percent (5%) of all taxes collected on imported athletic equipment.

These funds shall be automatically remitted directly to the Commission and are hereby constituted as the National Sports Development Fund.

Further, the Philippine Postal Service Office is hereby authorized to print paper and gold stamps which shall depict sports events and such other motif as the Philippine Postal Service Office may decide, at the expense of the Commission.

The Philippine Sports Commission, in coordination with the Department of Finance and the National Economic and Development Authority, is hereby authorized to explore for, negotiate and secure foreign grants and technical assistance to augment the National Sports Development Fund.

Any deficiency in the financial requirements of the Commission for its integrated sports development program shall be covered by an annual appropriation passed by Congress.
Section 4. Separability. - If any provision or part of this Act is declared invalid or unconstitutional, the remaining parts or provisions not affected shall continue to be in full force and effect.

Section 5. Repealing Clause. - All laws, executive orders, and administrative orders or parts thereof inconsistent with any provision of this Act are hereby repealed or amended accordingly.

Section 6. Effectivity Clause. - This Act shall take effect fifteen (15) days after its publication in the online version of the Official Gazette or in two (2) newspapers of general circulation or with established internet website presence.

Approved.