

NINETEENTH CONGRESS OF THE)
REPUBLIC OF THE PHILIPPINES)
First Regular Session



HOUSE OF REPRESENTATIVES
HOUSE BILL NO. 4406

Introduced by **REPRESENTATIVE VIRGILIO S. LACSON**

EXPLANATORY NOTE

The Philippines has consistently remained at the top in terms of time spent online daily. This year, Filipinos are clocking at 10 hours and 2 minutes online- the highest in the world. The worldwide average is 6 hours and 42 minutes. The country is also spending more time in front of a desktop or laptop with 5 hours and 4 minutes daily average compared to the global average of 3 hours and 28 minutes.

As people spend more time online, it becomes more evident that there is a need to transition government services to digital platforms. In fact, this effort has been on-going for years. Various government agencies and local government units use websites and apps to direct civic engagement regarding services or even community issues.

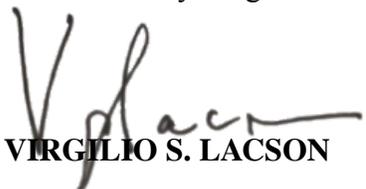
The importance of having an online presence cannot be denied. Being visible online creates trust between the government and the citizens they serve, because it shows that the former is within reach by just a few clicks on the computer or mobile phone. But the effort must not stop there. Aside from being available in online platforms, there is a pressing need as well to make the websites and the applications user-friendly and up-to-date. Government websites and apps must meet a certain standard of navigability and efficiency for people to use

them. Everyday our citizens are bombarded with data online - with each website, each pop-up window, each application competing for attention.

In a 2016 study, Accenture found that 85 percent of people expect government's digital services to match or exceed the quality of what commercial entities offer. However, this is difficult to achieve. Some agencies operate within a limited budget and IT spending is not often a priority. Government websites and apps do not operate on a for-profit model, so they rely solely on budget appropriated for their IT expenditures. Many government agencies spend the vast majority of their IT funds on operations and maintenance of legacy systems, with little left for innovation.

This Bill seeks to establish an agency that shall be in charge in the development of government software, websites, and applications, and the delivery of critical technology infrastructure and services to government agencies. Establishing an agency that is primarily concerned in creating websites and apps allows the government to maintain a standard of service at par with that of the private, commercial sector. The agency shall also undertake the responsibility of training Filipino developers and data scientists to better prepare for digitalization. Through this Bill, the government can provide better online platforms, websites, and apps, that the public would actually use and benefit from.

In light of the foregoing, the immediate approval of this Bill is immediately sought.



VIRGILIO S. LACSON

Manila Teachers Party-list

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Introduced by **REPRESENTATIVE VIRGILIO S. LACSON**

AN ACT

CREATING THE “PHILIPPINE SOFTWARE DEVELOPMENT AGENCY” AND PROVIDING THE APPROPRIATE 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 “*Philippine Software Development Agency Charter.*”

Section 2. *Declaration of Policy.* – In accordance with Section 10, Article XIV of the 1987 Constitution, science and technology are essential for national development and progress. The State shall give priority to research and development, invention, innovation, and their utilization; and to science and technology education, training, and services. It shall support indigenous, appropriate, and self-reliant scientific and technological capabilities, and their application to the country’s productive systems and national life. To this end, it shall be the policy of the State to develop Filipino professionals and data scientists in the field of software technology and ICT through the creation of a central agency mandated to provide technical support in all software and application development across all government agencies.



Section 3. *Definition.* – As used in this Act, the following terms shall be defined as –

“Software” refers to a computer program that comprises a series of instructions, rules, routines, or statements, regardless of the media in which recorded, that allow or cause a computer to perform a specific operation or series of operations; and recorded information comprising source code listings, design details, algorithms, processes, flow charts, formulas, and related material that would enable the computer program to be produced, created, or compiled.

“Website” refers to any collection of material placed in a computer server-based file archive so that it is publicly accessible, over the Internet, using hypertext transfer protocol or any successor protocol.

“Application” refers to a computer program designed for a mobile device, such as a smartphone, or tablet.

Section 4. *Philippine Software Development Agency Powers, Duties and Functions.* – To carry out the provisions of Section 2, there is hereby created a Philippine Software Development Agency, herein referred to as “PSDA” which shall be under the Department of Information and Communications Technology, with the following functions, powers and duties, among others:

(A) To be the primary enterprise information and technology services agency in charge in the development of government software, websites, and applications, and the delivery of critical technology infrastructure and services to government agencies;

(B) To undertake in coordination with other agencies, activities geared towards the training and development of Filipino developers;

(C) To conduct fundamental and applied research and investigations and experiments needed to achieve advances in the software development field in cooperation with the University of the Philippines and other science agencies; and provide the training facilities to meet the country’s need for software and application development;

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(D) To accept donations in the form of equipment, scholarship awards, sites for stations, buildings, etc., from local and/or foreign sources to promote the objectives of the PSDA.

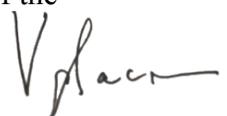
Section 5. *Major Organizational Units; Powers, Duties, and Functions.* – The PSDA shall be composed of the following major organizational units: Cybersecurity, Website and Application Development, and Infrastructure and Operations.

(A) Cybersecurity Unit shall be in charge of securing the national infrastructure, network, and data by establishing strong policies and practices while integrating superior cybersecurity tools. It shall conduct system logging, event monitoring, search/correlation capable alerting software, user and service provisioning, centralized authentication and network scanning to identify vulnerabilities and make effective recommendation.

(B) Website and Application Development Unit shall be in charge of creating and maintaining government websites and applications. It shall provide configuration and integration support for websites applications that support the delivery of public services.

(C) Infrastructure and Operations Unit shall be in charge of managing remote compute, storage and data protection services in the cloud, and undertake the improvement of the efficiency of data centers by centralizing and streamlining operations that enable citywide migration of data to the cloud and provide database administration support, backup and recovery, space management, and performance monitoring for different operating system platforms.

Section 6. *Administrator, Head of Major Organizational Units, Other Personnel.* – The PSDA shall be headed by an Administrator with a compensation equivalent to that of a class — a Bureau. The Administrator shall be appointed by the President of the Philippines, subject to the confirmation of the Commission on Appointments. He shall hold office during good behavior and shall not be removed therefrom except for cause. He shall be a citizen of the

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Philippines with proven executive ability who shall have distinguished himself in science and technology: Provided, that no one shall be appointed Administrator who is already holding an appointive or elective position in a concurrent capacity in the Government. Each head of major organizational units of PSDA shall be a citizen of the Philippines with proven executive ability who shall have achieved distinction in the particular field of National Service.

All subordinate personnel of PSDA below the rank of head of service or institute shall be appointed by the Administrator upon recommendation of the respective head of service or institute, in accordance with applicable civil service laws and rules.

Section 7. Powers and Duties of the Administrator. – To implement the policies and objectives of the PSDA as provided for in this Act, the administrator shall have the following functions, duties and powers, among others:

- (A) To promulgate such rules and regulations as may be necessary for the conduct and exercise of the essential functions of the organization;
- (B) To exercise supervision and control over all units under the Administration;
- (C) To delegate authority for the performance of any function to officers and employees under his direction;
- (D) To prescribe the office hours for employees of the PSDA engaged in technical work in order to maintain a continuous 24 hours watch as necessary;
- (E) When duty so requires, he may authorize corresponding overtime pay for services in excess of 40 hours a week on the regular rate plus at least twenty-five per centum additional, and provided further that such overtime pay shall be charged against the appropriation for the purpose or from salary savings of the agency;
- (F) In order to stimulate keen interest in research work among the scientific personnel of the Agency, a research incentive pay may be authorized by the Administrator in the form of fixed increment amounting to fifteen per cent of the researcher's monthly salary for each month for a period of one year to the researcher concerned following

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the completion and publication of his research work: Provided, however, That the award shall be made only after the technical paper is duly presented and defended in a scientific seminar prescribed for by the Administrator; and,

(G) To submit within sixty days after the close of each fiscal year, an annual report to the Secretary of Information and Communications Technology

Section 8. *Authority to Procure Scientific Equipment.* – Any provision of law and regulation to the contrary notwithstanding, the Administrator is hereby authorized, subject to the approval of the Secretary of Information and Communications Technology, to conduct bids and/or canvass of the foreign and/or local market in the procurement of instruments, materials, equipment and supplies of technical and scientific nature from local or foreign manufacturers.

Section 9. *Appropriations.* – The amount necessary for the implementation of this Act shall be treated as a distinct and separate budget item from the regular appropriation of the Department of Information and Communications Technology.

Section 10. *Congressional Oversight Committee.* – There is hereby created a Congressional Oversight Committee to monitor and oversee the implementation of the provisions of this Act. The committee shall be composed of six (6) members from the senate and six (6) members from the House of Representatives with the Chairperson of the Committee on Information and Communications Technology of both Houses as Joint Chairpersons. The five (5) other members from each Chamber shall be designated by the Senate President and the Speaker of the House of Representatives, respectively. The Minority shall have at least two (2) representatives from both Chambers.

Section 11. *Annual Report.* – Not later than the end of the first quarter of every year of implementation, the Secretary of Information and Communications Technology shall submit to the President and Congress, an annual report containing the progress of the implementation of this Act.

Section 12. *Penalties.* – Failure of the appropriate government officials to implement the provisions under this Act shall subject them to existing administrative and penal sanctions.

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Section 13. *Review.* – Within five (5) years after the effectivity of this Act, the Congressional Oversight shall conduct a review or systematic evaluation of the accomplishments and impact of the Philippine Software Development Agency, as well as the performance and organizational structure of the implementing agencies, for purposes of determining remedial legislations.

Section 14. *Implementing Rules and Regulations.* – The concerned government agencies shall promulgate the necessary rules and regulations within one hundred (180) days from the approval of this Act for its effective implementation.

Section 15. *Repealing Clause.* – All other existing laws, rules and regulations inconsistent with this Act are hereby repealed or modified accordingly.

Section 16. *Separability Clause.* – If any part or section of this Act is declared unconstitutional, such declaration shall not affect the other parts or sections of this Act.

Section 17. *Effectivity Clause.* – This Act shall take effect fifteen (15) days after its publication in two (2) newspapers of general circulation or in the Official Gazette.

Approved,

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