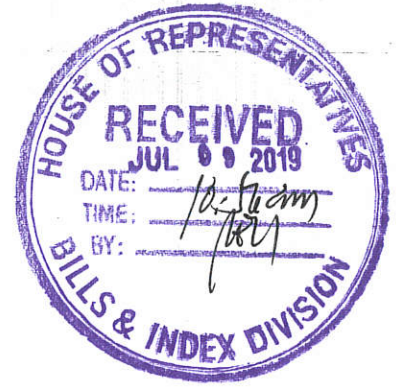


REPUBLIC OF THE PHILIPPINES
HOUSE OF REPRESENTATIVES
Quezon City

EIGHTEENTH CONGRESS
First Regular Session

House Bill No. 1655



Introduced by **MAGDALO Party-List Representative**
HON. MANUEL DG. CABOCHAN III


EXPLANATORY NOTE

Information and Communications Technology (ICT) is a vital tool in the development of an electronic society. Being connected digitally provides us with easy access and fast links, thus, making the use of ICT highly essential to our economic growth, educational advancement, awareness enhancement, market facilitation, and public participation.

This bill proposes the creation of eighty one (81) nodes nationwide situated in areas that are development corridors in order to pump prime economic activities and promote development in other growth areas of the province. It hopes to minimize the so-called digital divide as well as speed up the setting up of a wireless communications infrastructure.

With ICT Hubs, provinces will be able to harness their potentials in terms of making their provinces investor friendly. It is expected that they will electronically promote the provinces and provide nerve centers to connect the same to the various agencies of the national government thereby pushing the growth of e-Government locally and nationally. More importantly, with these Hubs, the archipelagic feature of the country can be bridged electronically thereby creating "One Philippines."

As declared in Article 11 Section 24 of the Constitution, "The State recognizes the vital role of communication and information in nation-building." Therefore, it is in pursuance of this policy and the consideration of the above premises that the passage of this bill is earnestly requested.


MANUEL DG. CABOCHAN III
Representative
Magdalo Para sa Pilipino Party-List

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AN ACT
ESTABLISHING AN ICT HUB IN EVERY PROVINCE AND FOR OTHER PURPOSES

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

1 **SECTION 1. *Short Title.*** – This Act shall be known as the “*One Philippines Act*”.

2

3 **SEC.2. *Declaration of Policy.*** –It is the declared policy of the State to recognize the
4 vital role of communication and information in nation building. Toward this end, the State
5 shall provide for the creation and establishment of Information and Communications
6 Technology Hub, hereinafter referred to as ICT Hub, in every province.

7

8 **SEC. 3. *Location of ICT Hub.*** - Pursuant to the provincial development plan, the
9 province shall identify the area where the ICT Hub shall be established: *Provided*, That, the
10 area/s shall not be in the capital or urban center of the province: *Provided, further*, That, the
11 area is owned by the provincial government.

12

13 **SEC. 4. *Provincial ICT Plan.*** - The provincial board shall formulate and approve an
14 ICT Plan for the province taking into consideration its comparative advantage, funding mix,
15 private sector involvement, incentives to locators, local tax incentives, among others.

16

17 **SEC. 5. *Digital Infrastructure Fund.*** - A Digital Infrastructure Fund, hereinafter
18 referred to as Fund, in the amount of Fifty Billion Pesos (Php50,000,000,000.00) is hereby
19 appropriated as seed capital and national counterpart from the national government for the
20 establishment of the ICT Hub: *Provided*, That the Fund shall be disbursed in a pro-rata

1 manner based on the following criteria: telephone density, degree of digital divide, ICT
2 penetration ratio, presence of new alternative backbone networks, science and technology
3 parks and industrial estates with an ICT focus, among others.

4 Subsequent appropriations shall be annually provided for in the General
5 Appropriations Act.

6
7 **SEC. 6. *Private Sector Incentive.*** - Any locator to the ICT Hub shall be given a 5-
8 year tax break from national taxes: *Provided*, That these locators are part of the Global O &
9 O Industry (Off-shoring and Outsourcing), such as, but not limited to: Animation, Customer
10 Contact, Back Office, Software Development, Medical & Legal Transcription and other
11 Cyber services: *Provided, further*, That sixty percent (60%) of its labor force shall be
12 recruited locally: *Provided, finally*, That, corporate income shall be declared and taxes shall
13 be paid locally on the sixth (6th) year of its existence.

14
15 **SEC. 7. *Implementing Agency.*** - The Department of Information and
16 Communications Technology shall formulate the necessary implementing rules and
17 regulations of this Act in consultation with the League of Provinces.

18
19 **SEC. 8. *Separability Clause.*** - Any provision or provisions of this Act that may be
20 declared unconstitutional or invalid shall not have the effect of nullifying other portions or
21 provisions hereof as long as such remaining portions or provisions can still subsist and be
22 given effect in their entirety.

23
24 **SEC. 9. *Repealing Clause.*** - All laws, ordinances, rules, regulations, and other
25 issuances or parts thereof, which are inconsistent with this Act are hereby repealed or
26 amended accordingly.

27
28 **SEC. 10. *Effectivity.*** - This Act shall take effect fifteen (15) days from its publication
29 in the Official Gazette or in any two (2) newspapers of general circulation.

Approved,