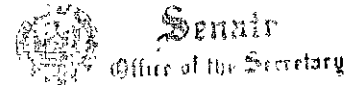



FIFTEENTH CONGRESS OF THE REPUBLIC )  
OF THE PHILIPPINES )  
Second Regular Session )



'11 JUL 25 P 6:54

SENATE

Senate Bill No. 2901

RECEIVED BY: 

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INTRODUCED BY SEN. JINGGOY EJERCITO ESTRADA

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EXPLANATORY NOTE

"It is said that any country that has struggled with poverty knows how extremely expensive it is for them to be poor," and the Philippines, belonging to the third world country category knows that we are paying a steep price for being poor and vulnerable.

According to the 2009 Official Poverty Statistics, released this February 8, 2011, there was an increase of about 185,000 from 3.67 million in 2006 to 3.86 million in 2009, in terms of magnitude of poor families. With the never-ending spate of price increases on fuel, energy, food and non-food commodities and services, the incidence of job displacements for local and overseas workers, the continued natural calamities that we have experienced over the past two (2) years, it is very likely that this number of poor families have swollen, considering that the current minimum wage is inadequate to compensate for all these.

With a majority of the Philippine population living below or at the borderline of poverty threshold despite our continued efforts in eradicating if not reducing poverty among the people, we do need to come up with a legislation which will resolutely reiterate in explicit terms the basic and primary rights of the marginalized sector, which as advocates pronounce, "the poor can demand as a matter of right and which the government must do as a matter of obligation."

As enshrined in Article II, Section 9 of the 1987 Philippine Constitution, "the State shall promote a just and dynamic social order that will ensure the prosperity and independence of the nation and free the people from poverty through policies that provide adequate social services, promote full employment, a rising standard of living and an improved quality of life for all."

The fundamental rights to (1) employment and livelihood (2) food and food assistance (3) decent shelter (4) free quality education (5) health service and medicines, are essential requisites towards poverty reduction and in guaranteeing the survival of those living below the poverty line. These are the advocacies contained in this Magna Carta of the Poor, coupled with provisions on ensuring that the poor beneficiaries under this program will be provided with means not only to survive but to improve their lives and uplift their economic status in order to pull them out of poverty and direct them towards productivity and sustainability.

Hence, the approval of this Bill is earnestly sought.

  
JINGGOY EJERCITO ESTRADA  
Senator

SENATE

Senate Bill No. 2901 RECEIVED BY: 

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INTRODUCED BY SEN. JINGGOY EJERCITO ESTRADA

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AN ACT  
PROVIDING FOR A MAGNA CARTA OF THE POOR

*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 "*Magna Carta Of the Poor.*"

**SEC. 2. Declaration of Policy.** – It is the declared policy of the State to uplift the standard of living and quality of life of the poor and provide them with sustained opportunities for sustained growth and development. Every poor Filipino family must be empowered to meet their minimum basic needs, such as food, shelter, education and health services, through the partnership of the government and the basic sectors. Poverty alleviation is a government responsibility that primarily requires the creation and expansion of employment opportunities geared towards providing decent and productive employment to the poor. This will pull them out from the poverty threshold, thereby reducing the poverty incidence in the country.

To attain the foregoing policy:

- a) Government must invest in anti-poverty programs to empower the poor to participate in the country's growth and development;
- b) All government departments, agencies and instrumentalities must provide full access to government services for the poor at all levels;
- c) Government interventions shall address the genuine concerns of the poor for daily survival, while long term strategies and solutions for the economic empowerment of the poor are being put in place in order to advance their economic status above the poverty threshold; and

- d) The capabilities and competencies of the basic sectors, the non-government organizations (NGOs) and people's organizations (POs), as partners of the government for the effective delivery and implementation of a wide range of anti-poverty programs and basic services, shall be enhanced and promoted.

**SEC. 3. *Definition of Terms.*** – As used in this Act, the following terms are hereby defined:

- (a) Poor – shall refer to individuals or families whose combined income fall below the poverty threshold as defined by the National Economic and Development Authority (NEDA) and / or cannot afford to provide their minimum basic needs of food, health, education, housing and other essential amenities in a sustained manner;
- (b) Basic sectors – shall refer to the disadvantaged sectors of Philippine society namely: farmer-peasants, artisanal fisherfolk, workers in the formal and informal sectors, migrant workers, indigenous people and cultural communities, women, differently-abled persons, senior citizens, victims of calamities and disasters, youths, students, children and the urban poor;
- (c) Hazardous or danger zones shall refer to areas which when occupied for residential purposes actually pose a danger to the life and safety of the occupants or of the general community;
- (d) People's organization (PO) shall refer to any recognized or accredited self-help association or cooperative of the basic sectors or disadvantaged groups composed of members having a common bond of interest, who voluntarily join together to achieve a lawful common social and economic end.

**Sec. 4. *Basic Rights of the Poor.*** – The poor shall have the following rights, for the enjoyment of which are an essential requirement towards poverty alleviation:

- a) Right to employment and livelihood;
- b) Right to food and food assistance;
- c) Right to decent shelter;
- d) Right to free quality education; and
- e) Right to free basic health services and medicines.

**SEC. 5. *Right to Food and Food Assistance.*** – The Department of Social Welfare and Development (DSWD) shall develop a program of granting free food

to the poor or a system of giving food assistance or subsidy to help the poor meet their minimum food necessities.

The DSWD in coordination with the Department of Agriculture (DA) shall develop plans and projects to complement existing food subsidy programs of the government so that the poor can engage in productive activities. These shall promote food self-sufficiency among the poor.

To help ensure the implementation of the grant of free food for the poor program, all food items and food products, including rice, corn, sugar and other prime commodities seized and forfeited with finality in favor of government for violations of customs laws shall be automatically transferred to or turned over to the DSWD for its disposition.

**SEC. 6. *Right to Employment and Livelihood.*** – The Department of Labor and Employment (DOLE), in coordination with the National Anti-Poverty Commission (NAPC), local government units (LGUs) through their respective Public Employment Service Office (PESO) and the Technical Education and Skills Development Administration (TESDA) and other relevant government agencies and government financial institutions, shall primarily be responsible in ensuring that the poor shall have preferential access to employment and livelihood opportunities in both private enterprises and in government programs and projects. The DOLE and other concerned government agencies are likewise tasked to address the emergency employment needs of displaced families.

Government departments and agencies, including government-owned and controlled corporations, are hereby authorized and mandated to earmark funds from their budgetary outlays to immediately undertake viable projects for employment purposes. The government shall likewise allocate more funds from official development assistance for projects and activities that will have greater impact on generation of employment for the poor.

It shall be mandatory for all government infrastructure projects and government-funded contracts or government-assisted undertakings to utilize workers who are poor in areas where the projects or contracts are to be implemented.

**SEC. 7. *Right to Decent Shelter.*** – The right of the poor to decent housing shall not be abridged. The government shall develop and implement an appropriate housing program that will provide decent housing to the poor with the least financial burden through a system of subsidy or no-down payment acquisition schemes and long term interest-free loans.

The government shall, through the Housing and Urban Development Coordinating Council (HUDCC) and the National Housing Authority (NHA) in coordination with the LGUs immediately construct and provide free housing facilities in pre-determined development or resettlement sites for residents of identified hazardous or danger zones or areas where housing needs for the poor are urgent and greatest.

In ensuring the exercise and enjoyment of this right of the poor, the government shall put in place a system of simple requirement and procedures and expeditious processing and approval.

The implementers of the socialized housing and resettlement programs shall enjoy the incentives stated in Section 20 of Republic Act No. 7279, otherwise known as the “Urban Development Housing Act of 1992.”

**SEC.8. *Right to Free Quality Education.*** – The right of the poor to free elementary and secondary public education shall not be impaired.

The right to education shall include access to quality education at the college level. Consistent with the government’s goal of providing socialized college education, including the student loans or study-now-pay-later plans, programs on education shall be expanded in state/local/private universities and colleges, as well as higher education institutions: *Provided*, That the students enroll in priority courses, as determined by the Commission of Higher Education, so as to ensure high employability after college.

It shall also include the right to free availment of in-demand vocational and technical training and manpower skills development, through scholarships, subsidies and financial assistance, to ensure access to decent and productive employment.

At least five percent (5%) discount shall be granted by establishments that sell reference books for tertiary level and school supplies and uniforms to poor students, subject to the guidelines to be issued by CHED; *Provided*, that these establishments may claim the cost as allowable tax in accordance with the provisions of the National Internal Revenue Code of 1997, as amended.

The DepEd, CHED and TESDA in coordination with other government agencies and government educational institutions, concerned, shall ensure the full enjoyment of the poor's right to education.

**SEC. 9. *Right to Basic Health Services and Medicines.*** – The Department of Health (DOH) and the LGUs shall ensure and promote the health of populace in a rational manner, including the availability of quality primary healthcare service and access to secondary and tertiary healthcare services and public healthcare programs.

The DOH shall provide the highly specialized level of quality healthcare in a rational manner as well as technical assistance to LGUs, POs and other members of civil society in effectively implementing programs, projects and services that will promote the health and well-being of every Filipino, especially the poor.

The Philippine Health Insurance Corporation (PhilHealth) in coordination with the DOH, shall ensure that every Filipino, especially the poor, is covered and entitled to an adequate package of health services. The out-of-pocket expenses of every Filipino, especially the poor, shall be substantially reduced, with the end view of totally eliminating such expenses. The current payment and enrollment mechanisms shall also be reformed.

The DOH, LGUs and Philhealth shall define an expanded primary health package that every citizen is entitled and can readily avail of. Clear responsibilities must be defined and allocated between the three partners, ensuring also that services provided are consistent with the epidemiological profile and population needs.

**SEC. 10. *Other rights of the Poor.*** – All other rights and benefits for the poor provided under existing laws shall remain in full force and effect. Nothing herein contained shall be construed in a manner that will diminish the enjoyment of such

rights by the poor who shall have the right to avail of the greater rights or benefits offered by existing laws, including those granted under this Act.

**SEC. 11. *System of Targeting of Beneficiaries.*** – The DSWD, in coordination with the NAPC and other relevant government agencies, LGUs, NGOs and POs shall come up with a single system of classification to be used for targeting beneficiaries of the government's anti-poverty programs and projects to ensure that such programs reach the intended beneficiaries.

**SEC. 12. *Ensuring the Promotion of the Beneficiaries' Economic Status Towards Productivity and Self-Sufficiency.*** - The NEDA in coordination with the NAPC, DSWD, LGU and all other concerned stakeholders, shall formulate a policy in order to ensure that the poor beneficiaries under this program would eventually improve their economic status and advance into becoming productive and self-sufficient citizens.

**Sec. 13. *Funding Requirements.*** – To carry out the provisions of this Act, the following amounts shall be appropriated as follows:

- a) The sum of Fifty Million Pesos (Php50,000,000.00) as initial operating fund is hereby appropriated out of any available funds in the National Treasury. The amount necessary in subsequent years to help implement this Act shall be included in the annual appropriation of the National Economic and Development Authority (NEDA);
- b) Twenty percent (20%) of the share of the national government in the earnings of the Philippine Amusement and Gaming Corporation (PAGCOR);
- c) Twenty percent (20%) of the share of the national government in all lotteries conducted by the Philippine Charity Sweepstakes Office (PCSO);
- d) Fifty percent (50%) of the share of the government in the proceeds from sale or disposition of sequestered assets; and

- e) Fifty percent (50%) of the proceeds from the sale or disposition by public auction of goods or articles forfeited in favor of the government by the Bureau of Customs (BOC).

The share from the PAGCOR, the PCSO, the sale of sequestered assets and forfeited goods and article shall be directly remitted to NEDA on a quarterly basis for its disposition in accordance with this Act.

**SEC. 14. Rational Allocation of Funds.** – The NEDA in coordination with NAPC shall be principally responsible for the efficient and rational allocation of available funding requirements as may be needed by the different government departments and agencies in implementing the rights of the poor.

**SEC. 15. Private Sector Participation.** – *The private sector is highly encouraged to be an active partner for the empowerment of the basic sectors.*

As such, the DSWD, DOLE, DepEd, DOH, NAPCDA, CHED, TESDA, HUDCC, NHA are hereby authorized to solicit donations, aids or grants, in cash or in kind, from whatever source, and/or enter partnerships with private/public institutions to meet the demands of the basic rights to employment and livelihood, food and food assistance, free quality education, decent shelter, basic health services and medicines, and other rights.

**SEC. 16. Tax Exemptions.** – Any donation, contribution or grant which may be made to the programs and projects entered into pursuant to this law 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. 17. Role of the Local Government Unit.** – LGUs shall be responsible for the formulation and implementation of local anti-poverty programs and projects in their jurisdictions and ensure that these are consistent with, and complementary to, national programs and projects set forth in the sections on the basic rights of the poor as provided herein.

**SEC. 18. Penalty.** – Any public official or employee who negligently permits the violation of any provision of this Act shall be punished with a fine not exceeding



the equivalent of six (6) months salary or suspension not exceeding one (1) year or removal from office depending on the gravity of the offense, after due notice and hearing, without prejudice to the filing of appropriate case if warranted under the circumstances.

**SEC. 19. *Implementing Rules and Regulations.*** – The NAPC, in coordination with the government departments and agencies, shall promulgate rules and regulations to carry out the provisions of this Act within three (3) months from its effectivity. The rules shall set priority target areas for the initial implementation of this Act with the end in view of ensuring the successful replication of the program nationwide.

**SEC. 20. *Compliance and Accomplishment Report.*** – The NAPC shall, in coordination with all departments and agencies concerned, shall within six (6) months from the effectivity of this Act and every six (6) months thereafter, submit a report to Congress on the accomplishment and compliance with the provisions of this Act.

**SEC. 21. *Separability Clause.*** – If any provision or part of this Act is declared invalid or unconstitutional, the remaining parts or provisions not affected shall remain in full force and effect.

**SEC. 22. *Repealing Clause.*** – All laws, decrees, executive orders, proclamations, rules and regulations, and issuances, or parts thereof, which are inconsistent with the provisions of this Act are hereby repealed or amended accordingly.

**SEC. 23. *Effectivity.*** – This Act shall take effect fifteen (15) days after publication in the Official Gazette or in two (2) national newspapers of general circulation.

***Approved,***