

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

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SENATE
S. No. 390

Introduced by Senator S. R. Osmeña III

EXPLANATORY NOTE

This bill proposes the creation of a College Education Trust Fund in the Government Service Insurance System (GSIS) and the Social Security System (SSS) to allow members to provide for the college education of their children.

Under the provisions of this bill, coverage will be optional for all members, regardless of the civil status of the member, or whether he or she has a child or not. The benefits can be availed of by members only if they complete the policy prior to the enrollment of their child in college. The GSIS or the SSS, as the case may be, will pay the college tuition and other fees, as well as materials, books, supplies, board and lodging, and other expenses associated with the child's college education, no matter what the cost at the time of enrollment.

This bill also provides for incentives to scholars and enrollees for courses in Agriculture, Fisheries, Forestry, Science and Technology.

Education is an investment in the future of our children. It is no wonder that the Constitution, in Article XIV Section I mandates the State to protect and promote the right of all citizens to quality education.

This bill promotes access to quality education by providing the mechanism by which GSIS and SSS members can pay for the future education of their children at today's prices.

In view of the foregoing, early passage of this bill is earnestly requested.

S. Osmeña III
SERGIO OSMEÑA III
Senator

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**AN ACT
ESTABLISHING A COLLEGE EDUCATION TRUST FUND FOR CHILDREN OF
GSIS AND SSS MEMBERS, AND FOR OTHER PURPOSES**

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

1 SECTION 1. **Short Title.** – This Act shall be known as the “**College**
2 **Education Trust Fund Act.**”

3 SEC. 2. **College Education Trust Fund.** – There is hereby established in
4 the Government Service Insurance System and the Social Security System a
5 special trust fund called the “College Education Trust Fund” to ensure the college
6 education of the children of the Members of both Systems.

7 SEC. 3. **Children Defined.** – For purposes of this Act, the term “children”
8 shall include the legitimate, legitimated, legally adopted or illegitimate child or
9 grandchild of the Members.

10 SEC. 4. **Optional Coverage.** – Subject to the rules and regulations
11 prescribed by the Government Service Insurance System (GSIS) or the Social
12 Security System (SSS), as the case may be, all Members, regardless of civil
13 status, with or without a child shall have the option to insure this Act.

14 SEC. 5. **Premium Payments.** – The amount of premiums to be paid to the
15 College Education Trust Fund by the Member shall be, in accordance with the
16 schedule of payments to be provided by the System concerned taking into
17 consideration the following criteria:

- 1 a) The interval of time between the effectivity of the coverage
- 2 and the
- 3 b) b) The number of monthly contributions to be made to
- 4 complete the policy;
- 5 c) The benefits to be availed of as provided in Section 5 of this
- 6 Act;
- 7 d) The number of children insured under this Act;
- 8 e) The amount of tuition and other standard fees charged by
- 9 the school; and
- 10 f) Such other factors as may be determined by the System
- 11 concerned.

12 **SEC. 6. Educational Benefits.** – Only members who have completed the
13 payment of the premium on the policy before the enrollment of the child shall be
14 entitled to avail of the benefits provided for under this Act.

15 The benefits shall include the payment by the System concerned of:

- 16 a) Such school fees as may be required for enrollment in and
- 17 completion of four or five year college course which shall include tuition
- 18 fees for all subject officially prescribed by the school and part of the
- 19 regular curriculum as requisite for graduation and such standard fees as
- 20 may be defined by the System concerned in coordination with the
- 21 Department of Education, Culture and Sports;
- 22 b) Materials, books, supplies and other similar fees required by
- 23 the school; and
- 24 c) The board and lodging expenses that may be incurred in the
- 25 pursuit of such education.

26 The member may opt to insure any of the above or combinations thereof.

27 The payment shall be made by the System directly to the institution except
28 for item (b) which shall only be reimbursed to the member or child. The System

1 concerned shall provide for safeguards to insure the prompt payment of these
2 benefits.

3 **SEC. 7. Incentives. –**

4 a) Should the child earn any scholarship in College as to
5 exempt the System from the payment of the benefits provided for in
6 paragraph (a) of the preceding section, in whole or in part, such payments
7 shall be received by the child in lieu of the school.

8 b) The system concerned shall provide for incentives to
9 enrollees of the following courses: Agricultural, Forestry, Fishery, Science
10 and Technology.

11 **SEC. 8. Transferability of Benefits. –** The benefits provided for under this
12 Act may be transferred or assigned to another child of the same Member.

13 **SEC. 9. Death or Disability of Member. –** The death or disability of the
14 member shall not preclude the child from the availment of the benefits provided
15 for in this Act.

16 **SEC. 10.** In case of insufficiency of provisions of this Act, the SSS or GSIS
17 law as the case may be shall apply in a suppletory manner.

18 **SEC. 11.** The GSIS or SSS, as the case may be, shall promulgate the
19 necessary rules and regulations for the effective implementation of this Act within
20 ninety (90) days following its approval.

21 **SEC. 12. Separability Clause.** If any section or provision of this Act shall
22 be declared unconstitutional or invalid, the other sections or provisions not
23 affected thereby shall remain in full force and effect.

24 **SEC. 13. Repealing Clause. –** All laws, decrees, orders, rules and
25 regulations and other issuances inconsistent with the provisions of this Act are
26 deemed modified, revoked or repealed accordingly.

27 **SEC. 14. Effectivity.** This Act shall take effect fifteen (15) days after its
28 publication in two (2) leading newspapers of national circulation.

Approved,