


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

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SENATE

RECEIVED BY: 

S.B. No. 895

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Introduced by Senator JINGGOY EJERCITO ESTRADA

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#### EXPLANATORY NOTE

The State is mandated by the Constitution to promote and protect quality education that is of high academic standards, affordable education that is financially reachable by all sectors of the society and education that is relevant and responsive to the needs of the people and the society. As provided in Article XIV, Section I of the Constitution:

“The State shall protect and promote the rights of all citizens to qualify education at all levels and shall take appropriate steps to make education accessible to all.”

The same constitutional mandate is always in need of sound and concrete legislation to implement its goal of broadening opportunities particularly in higher education. This proposed measure is in furtherance to the enacted laws strengthening such mandate by providing for a College Education Trust Fund. This proposed Fund shall be composed of premiums paid by the Member, thus, enabling the beneficiary to complete a four year or five year education.

The proposed college education insurance plan, though optional to all Members regardless of civil status, can only be availed of by Members who have completed their policy before the enrollment of the child despite the prevailing costs of such education at the time of the child’s enrollment. The funds are guarded from being used for other purposes, as it is directly paid to the school where the child shall enroll. By paying for the child’s education at today’s prices, he is assured of a college education for the future. Incentives for scholars and enrollees of Agriculture, Fishery, Forestry, Science and Technology are also provided for in this proposed measure.

College education has always been regarded as the ticket to having a decent job and meaningful contribution to the society. It is an invaluable and priceless gift a parent, grandparent, or relative can give a child. The bill, if enacted, shall provide the

means for providing for the future by doing what may be done at the present. The passage of this bill is earnestly urged.

  
JINGGOY EJERCITO ESTRADA  
Senator

THIRTEENTH CONGRESS OF THE )  
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OFFICE OF THE CLERK  
104 JUN 30 PM 1:46

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AN ACT  
PROVIDING FOR A COLLEGE EDUCATION TRUST FUND FOR CHILDREN OF  
GSIS AND SSS MEMBERS

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 “College Education Trust Fund Act.”

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

SECTION 3. **Children Defined.** – For purposes of this Act, the term “children” shall include the legitimate, legitimated, legally adopted or illegitimate child or grandchild of the Member.

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

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

- a) The interval of time between the effectivity of the coverage and the estimated time of enrollment of the child in college;
- b) The number of monthly contributions to be made to complete the policy
- c) The benefits to be availed of as provided in Section 5 of this Act;
- d) The number of children insured under this Act;
- e) The amount of tuition and other standard fees charged by the school; and
- f) Such other factors as may be determined by the System concerned.

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

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

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

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

The payment shall be made by the System directly to the institution except for item (b) which shall only be reimbursed to the member or child. The System concerned shall provide for safeguards to insure the prompt payment of these benefits.

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

- b) The System concerned shall provide for incentives to enrollees of the following courses: Agricultural, Forestry, Fishery, Science and Technology.

**SECTION 8. *Transferability of Benefits.*** – The benefits provided for this act may be transferred or assigned to another child of the same Member.

SECTION 9. **Death or Disability of Members.** – The death or disability of the member shall not preclude the child from the availment of the benefits provided for in this Act.

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

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

SECTION 12. **Saving Clause.** - If, for any reason, any section or provision of this Act shall be held to be unconstitutional or invalid, the other sections or provisions of this Act shall not be affected thereby.

SECTION 13. **Effectivity Clause.** – This Act shall take effect fifteen (15) days after its publication in the Official Gazette or in two (2) National newspapers of general application, whichever comes earlier.

Approved,