

THIRTEENTH CONGRESS OF THE REPUBLIC)
OF THE PHILIPPINES)
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SENATE

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S. No. 1718

Introduced by Senator S. R. Osmeña III

EXPLANATORY NOTE

Our Constitution mandates that appropriate steps be taken to make education accessible to all. Pursuant to this, the Special Program for Employment of Students (SPES) has been institutionalized under Republic Act No. 7323, otherwise known as "An Act to Help Poor But Deserving Students Pursue Their Education By Encouraging Their Employment During Summer and/ or Christmas Vacations, Through Incentives Granted to Employers, Allowing Them to Pay Only Sixty Per Centum of Their Salaries or Wages and the Forty Per Centum Through Education Vouchers to be Paid by the Government, Prohibiting and Penalizing the Filing of Fraudulent or Fictitious Claims, and for Other Purposes."


Since its enactment, the SPES Program has helped poor students to graduate and earn a college degree or a vocational diploma. Records show the increase of SPES placements every year, which clearly indicate that the program is indeed an effective tool for students in their pursuit of education.

With a budget of PHP 60 million when it was first introduced in 1992, the program benefited 48,121 students nationwide. Because of its inspiring success and innovative approach – private employers sharing in the cost of financing education – the SPES has become a continuing program of the government for poor but deserving students.

This bill seeks to strengthen the SPES Program through the following amendments:

1. adjustment of income requirement for coverage under the law;
2. penalize those who dishonor education vouchers;
3. lessen the coverage of employment size of establishment; and
4. make the program a year-round activity.

In view of the foregoing, approval of this bill, strengthening further and broadening the coverage of the SPES Program, is earnestly requested.


SERGIO OSMEÑA III
Senator

1 **EQUIVALENT ACADEMIC CREDITS AS MAY BE DETERMINED**
2 **BY APPROPRIATE GOVERNMENT AGENCIES** [provided by law
3 and other applicable labor rules and regulations].

4 “For purposes of this Act, poor but deserving students refer
5 to those whose parents’ combined income[s], together with their
6 [income] **OWN**, if any, do not exceed [Thirty-six thousand pesos
7 (P36,000.00) per annum] **THE ANNUAL NATIONAL POVERTY**
8 **THRESHOLD LEVEL FOR A FAMILY OF SIX (6) FOR THE**
9 **PRECEDING YEAR AS MAY BE DETERMINED BY THE**
10 **NATIONAL STATISTICS COORDINATION BOARD (NSCB).**
11 Employment [should be at the Labor Exchange Center of the
12 Department of Labor and Employment (DOLE)] **FACILITATION**
13 **SERVICES FOR APPLICANTS TO THE PROGRAM SHALL BE**
14 **DONE BY THE PUBLIC EMPLOYMENT SERVICE OFFICE**
15 **(PESO).”**

16 SEC. 2. Section 2 of the same Act is hereby amended to read as follows:

17 “SEC. 2. Sixty *per centum* (60%) of said salary or wage shall
18 be paid by the employer in cash and forty *per centum* (40%) by the
19 government in the form of a voucher which shall be applicable in
20 the payment for his tuition fees and books in any educational
21 institution for secondary, tertiary, vocational or technological
22 education. The amount of the education**AL** voucher shall be paid
23 by the government to the educational institution concerned within
24 thirty (30) days from its presentation to the officer or agency
25 designated by the Secretary of Finance.

26 “The voucher shall not be transferable except when the
27 payee thereof dies or for a justifiable cause stops in his duties in
28 which case it can be transferred to his brothers or sisters. If there

1 be none, the amount thereof shall be paid his heirs or to the payee
2 himself, as the case may be.”

3 SEC. 3. Section 3 of the same Act is hereby amended to read as follows:

4 “SEC. 3. The Secretary of Labor and Employment, the
5 Secretary of Education, Culture and Sports, **CHAIRPERSON OF**
6 **THE COMMISSION ON HIGHER EDUCATION** and the Secretary
7 of Finance shall issue the corresponding rules and regulations to
8 carry out the purposes of this Act.

9 “The Secretary of Labor and Employment shall be the
10 [Project Director of this] Program Chairman.”

11 SEC. 4. Section 4 of the same Act is hereby amended to read as follows:

12 “SEC. 4. Any person or entity who shall make any fraudulent
13 or fictitious claim under this Act, regardless of whether payment has
14 been made, **AND ANY PERSON OR ENTITY WHO REFUSES OR**
15 **DISHONORS AN EDUCATION VOUCHER**, shall, upon conviction,
16 be punished with imprisonment of not less than six (6) months and
17 not more than one (1) year and a fine of not less than Ten thousand
18 pesos (P10,000.00), without prejudice to their prosecution and
19 punishment for any other offense punishable under the Revised
20 Penal Code or any other penal statute.

21 “In case of partnerships or corporations, the managing
22 partner, general manager, or chief executive officer, as the case
23 may be, shall be criminally liable.”

24 SEC. 5. This Act shall take effect fifteen (15) days after its publication in the
25 *Official Gazette* or in at least two (2) newspapers of national circulation.

26 Approved,