

SENATE

COMMITTEE REPORT NO. 823

Submitted jointly by the Committees on Social Justice, Welfare and Rural Development and Finance on FEB 01 2010

RE : S. No. 3578

Recommending its approval in substitution of Senate Bill No. 2525, taking into consideration House Bill No. 6915, with Senators Trillanes IV and Cayetano P., as authors.

Sponsor : Senator Pia S. Cayetano

MR. PRESIDENT,

The Committees on Social Justice, Welfare and Rural Development and Finance, to which were referred S. B. No. 2525, introduced by Sen. Trillanes IV, entitled:

**"AN ACT  
PROVIDING FOR A MAGNA CARTA FOR THE POOR"**

taking into consideration House Bill No. 6915, introduced by Reps. Del Mar, Lacson, Defensor, Syjuco, Arroyo, et.al., entitled:

**"AN ACT  
PROVIDING FOR A MAGNA CARTA OF THE POOR"**

have considered the same and have the honor to report them back to the Senate with the recommendation that the attached S. B. No. 3578, prepared by the Committees, entitled:

**"AN ACT  
PROVIDING FOR A MAGNA CARTA OF THE POOR"**

be approved in substitution of Senate Bill No. 2525, taking into consideration House Bill No. 6915 with Senators Trillanes IV and Cayetano P., as authors thereof

Respectfully submitted:

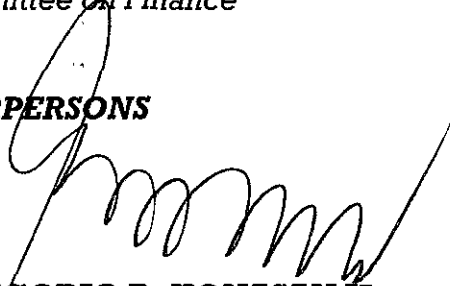
  
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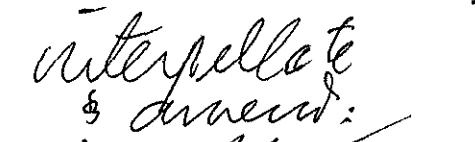
  
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**SENATE**

**S.B. No. 3578**

(In substitution of Senate Bill No. 2525, taking into consideration House Bill No. 6915)

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Prepared by the Committees on Social Justice, Welfare and Rural Development and Finance with Senators Trillanes IV and P. Cayetano as authors thereof.

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**AN ACT PROVIDING FOR A MAGNA CARTA OF THE POOR**

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

- 1 SECTION 1. *Title.* - This Act shall be known as the "Magna Carta of the Poor".  
2
- 3 SEC. 2. *Declaration of Policy.*- It is the declared policy of the State to uplift the  
4 standard of living and quality of life of the poor and provide them with sustained  
5 opportunities for growth and development. Every poor Filipino family must be  
6 empowered to meet their minimum basic needs, through the partnership of the  
7 government and the basic sectors. It is likewise vital that the State complies with  
8 its international obligations to eradicate poverty, such as our commitment to  
9 achieve the Millennium Development Goals which include the eradication of  
10 extreme poverty and hunger, achievement of universal primary education,  
11 promotion of gender equality and empowerment of women, reduction of child  
12 mortality, improvement of maternal health, combating HIV/ AIDS, malaria and  
13 other diseases, ensuring environmental sustainability and development of a  
14 global partnership for development.  
15
- 16 To attain the foregoing policy:  
17
- 18 (a) Government must prioritize investments in anti- poverty programs to  
19 enable the poor to participate responsibly in the country's growth and  
20 development;  
21 (b) All government departments, agencies and instrumentalities must provide  
22 full access to government services for the poor;

1 (c) Government interventions must be strengthened to address the genuine  
2 concerns of the poor, while long- term strategies and solutions for the  
3 empowerment of the poor are being put in place; and

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

9  
10 SEC. 3. *Definition of terms.* – As used in this Act, the following terms are hereby  
11 defined:

12  
13 (a) Poor shall refer to individuals or families whose income fall below the  
14 poverty threshold as defined by the National Economic and Development  
15 Authority (NEDA) and/or cannot afford to provide their minimum basic  
16 needs of food, health, education, housing and other essential amenities in  
17 a sustained manner;

18 (b) Basic sectors shall refer to the disadvantaged sectors of Philippine  
19 society, namely: farmer- peasants, artisanal fisherfolks, workers in the  
20 formal and informal sectors, migrant workers, indigenous people and  
21 cultural communities, women, differently- abled persons, senior citizens,  
22 victims of calamities and disasters, youths, students, children and the  
23 urban poor;

24 (c) Hazardous or danger zones shall refer to areas which when occupied for  
25 residential purposes actually pose a danger to the life and safety of the  
26 occupants or of the general community.

27 (d) People's organization (PO) shall refer to any recognized or accredited  
28 self- help association or cooperative of the basic sectors or disadvantaged  
29 groups composed of members having a common bond of interest, who  
30 voluntarily join together to achieve a lawful common social and economic  
31 end.

32  
33 SEC. 4. *Basic Rights of the Poor.* – The poor shall have the following rights, the  
34 enjoyment of which is an essential step towards poverty alleviation: (a) the right  
35 to food; (b) right to employment and livelihood; (c) the right to quality education;  
36 (d) the right to shelter; and (e) the right to basic health services and medicines.

37

1 The government shall, as a matter of duty and obligation, provide the  
2 requirements, conditions and opportunities for the full enjoyment of these rights  
3 of the poor, and which the poor can demand as a matter of right.

4  
5 4.1. *The Right to Food.*- The Department of Social Welfare and  
6 Development (DSWD) shall expand a program of subsidy to help the poor  
7 meet their minimum food requirements.

8  
9 To help ensure the implementation of the food assistance program, all  
10 food items and food products, including rice, corn, sugar and other prime  
11 commodities, seized and forfeited with finality in favor of the government  
12 for violations of customs laws shall be automatically transferred to and/ or  
13 turned over to the DSWD for proper disposition.

14  
15 The DSWD, in coordination with the Department of Agriculture (DA), shall  
16 develop plans and projects to complement existing food subsidy programs  
17 of the government so that the poor can engage in productive activities.  
18 These shall promote food self- sufficiency among the poor.

19  
20 4.2. *The Right to Employment and Livelihood.*- The Department of Labor  
21 and Employment (DOLE), in coordination with the POs, National Anti-  
22 Poverty Commission (NAPC), Local Government Units (LGUs), and  
23 relevant government agencies and government financial institutions, shall  
24 primarily be responsible for providing facilitation assistance to the poor to  
25 ensure better access to livelihood opportunities and employment openings  
26 in private enterprises and in government programs and projects. The  
27 DOLE and other concerned government agencies are likewise tasked to  
28 address the emergency employment needs of displaced families.

29  
30 In the hiring of workers needed for the implementation of government  
31 infrastructure projects and/or government-funded contracts or  
32 government-assisted undertakings, it shall be mandatory to prioritize  
33 qualified laborers from the poor sector who are residents of the LGUs  
34 where the project is located, as provided in the implementing rules.

35  
36 4.3. *The Right to Quality Education.*- The right of the poor to free public  
37 elementary and secondary education shall not be impaired.

38

1 The right to education shall include access to quality education at the  
2 college level. Consistent with the government's goal of providing  
3 socialized college education, including the student loans or study-now-  
4 pay-later plans, programs on education shall be expanded in  
5 state/local/private universities and colleges, as well as higher education  
6 institutions: *Provided*, That the students qualify and maintain good  
7 academic standing: *Provided further*, That the students enroll in priority  
8 courses, as determined by the Commission on Higher Education (CHED).

9  
10 It shall also include the right to avail of quality technical vocational  
11 education and training through scholarships, subsidies and financial  
12 assistance, to ensure access to decent and productive employment.

13  
14 At least five percent (5%) discount shall be granted by establishments that  
15 sell reference books for college and school supplies to poor but deserving  
16 students, subject to the guidelines to be issued by CHED: *Provided*, That  
17 these establishments may claim the cost as allowable tax deduction from  
18 the gross income in the computation of their income tax in accordance  
19 with the provisions of the National Internal Revenue Code of 1997, as  
20 amended.

21  
22 The Department of Education (DepED), CHED and the Technical  
23 Education and Skills Development Authority (TESDA), in coordination with  
24 government agencies concerned, shall ensure the full enjoyment of the  
25 poor of the right to education.

26  
27 *4.4. The Right to Shelter.* – The right of the poor to decent housing shall  
28 not be abridged. The government shall develop and implement a housing  
29 program for the poor which shall include a well- targeted and responsive  
30 subsidy scheme that will provide decent housing with the least financial  
31 burden.

32  
33 In all cases, the government, in ensuring the exercise and enjoyment of  
34 the right of the poor, shall put in place a system consisting of simple  
35 requirements and procedures, and expeditious processing and approval.

36  
37 The government, through the Housing and Urban Development  
38 Coordinating Council (HUDCC) and the National Housing Authority (NHA),

1 in coordination with the LGUs, shall prioritize the implementation of the  
2 socialized housing and resettlement for the poor specially those residing in  
3 hazardous or danger zones.

4  
5 The implementers of the socialized housing and resettlement programs  
6 shall enjoy the incentives stated in Section 20 of Republic Act No. 7279,  
7 otherwise known as the "Urban Development and Housing Act of 1992".

8  
9 *4.5. The Right to Basic Health Services and Medicines.*- The LGUs shall  
10 ensure and promote the health of their populace in a rational manner,  
11 including the availability of quality primary healthcare services and access  
12 to secondary and tertiary healthcare services and public healthcare  
13 programs.

14  
15 The Department of Health (DOH) shall provide the highly specialized level  
16 of quality health care in a rational manner as well as technical assistance  
17 to LGUs, POs and other members of civil society in effectively  
18 implementing programs, projects and services that will promote the health  
19 and well- being of every Filipino, especially the poor.

20  
21 The Philippine Health Insurance Corporation (PhilHealth), in coordination  
22 with the DOH, shall ensure that every Filipino, especially the poor, is  
23 covered and entitled to an adequate package of health services. The out-  
24 of-pocket expenses of every Filipino, especially the poor, shall be  
25 substantially reduced, with the end view of totally eliminating such  
26 expenses. The current payment and enrollment mechanisms shall also be  
27 reformed.

28  
29 The DOH, LGUs and Philhealth shall define an expanded primary health  
30 package that every citizen is entitled to and can readily avail of. Clear  
31 responsibilities must be defined and allocated between the three partners,  
32 ensuring also that services provided are consistent with the  
33 epidemiological profile and population needs.

34  
35 *4.6 . Other Rights of the Poor.* - All other rights and benefits for the  
36 poor provided under existing laws shall remain in full force and effect.  
37 Nothing herein shall be construed to diminish the enjoyment of such rights



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

3  
4 **SEC. 5. *System for Targeting of Beneficiaries.***- The DSWD, in coordination with  
5 NAPC and other relevant government agencies, LGUs, NGOs and POs, shall  
6 come up with a single system of classification to be used for targeting  
7 beneficiaries of the government's anti- poverty programs and projects to ensure  
8 that such programs reach the intended beneficiaries.

9  
10 **SEC. 6. *Funding Requirements.*** The funding for the pro- poor programs and  
11 projects implemented under this Act shall be taken from the appropriate  
12 programs of the relevant agencies, guided by the Medium Term Expenditure  
13 Framework which they develop and submit to the Department of Budget and  
14 Management (DBM).

15  
16 Deficiencies in the existing appropriations of the pro- poor programs in the  
17 different departments and agencies shall be included in the General  
18 Appropriations Act of the year following the enactment of this Act and thereafter.

19  
20 **SEC. 7. *Rational Allocation of Funds.*** – The National Economic and  
21 Development Authority (NEDA), in relation with NAPC, shall be principally  
22 responsible for the efficient and rational allocation of available funding  
23 requirements as may be needed by the different government departments and  
24 agencies in implementing the rights of the poor.

25  
26 **SEC. 8. *Private Sector Participation.*** – The private sector is highly encouraged to  
27 be an active partner for the empowerment of the basic sectors.

28  
29 As such, the DSWD, DOLE, DepEd, DOH, NAPC, DA, CHED, TESDA, HUDCC,  
30 NHA are hereby authorized to solicit donations, aids or grants, in cash or in kind,  
31 from whatever source, and/or enter partnerships with private/public institutions to  
32 meet the demands of the basic rights to food, employment and livelihood, quality  
33 education, shelter, basic health services and medicine, and other rights.

34  
35 **SEC. 9. *Tax Exemptions.*** – Any donation, contribution or grant which may be  
36 made to the programs and projects entered into pursuant to this law shall be  
37 exempt from the donor's tax and the same shall be considered as allowable  
38 deduction from the gross income in the computation of the income tax of the

1 donor in accordance with the provisions of the “National Internal Revenue Code  
2 of 1997”, as amended.

3

4 *SEC. 10. Role of the Local Government Unit.* – LGUs shall be responsible for the  
5 formulation and implementation of local anti-poverty programs and projects in  
6 their jurisdictions and ensure that these are consistent with, and complementary  
7 to, national programs and projects set forth in the basic rights of the poor as  
8 provided in Section 4 of this Act.

9

10 *SEC. 11. Joint Congressional Oversight Committee.*– There is hereby created a  
11 joint congressional oversight committee to monitor the implementation of this Act,  
12 including the achievement of the Millennium Development Goals. The committee  
13 shall be composed of five (5) senators and five (5) representatives to be  
14 appointed by the Senate President and the Speaker of the House of  
15 Representatives, respectively. The oversight committee shall be co-chaired by a  
16 senator and a representative designated by the Senate President and the  
17 Speaker of the House of Representatives, respectively.

18

19 The mandate given to the joint congressional oversight committee under this Act  
20 shall be without prejudice to the performance of the duties and functions by the  
21 respective existing oversight committees of the Senate and the House of  
22 Representatives.

23

24 *SEC. 12. Implementing Rules.* – The NAPC, in coordination with the government  
25 departments and agencies, shall promulgate rules and regulations to carry out  
26 the provisions of this Act within three (3) months from its effectivity. The rules  
27 shall set priority target areas for the initial implementation of this Act, with the end  
28 in view of ensuring the successful replication of the program nationwide.

29

30 *SEC. 13. Compliance Report.* - The NAPC, in coordination with all government  
31 departments and agencies concerned, shall within six (6) months, from the  
32 effectivity of this Act and every six (6) months thereafter, submit a report to Joint  
33 Congressional Oversight Committee on the compliance with the provisions of this  
34 Act.

35

36 *SEC. 14. Separability Clause.* - If any provision of this Act is declared  
37 unconstitutional, the other provisions not affected thereby shall remain in full  
38 force and effect.

1

2 SEC. 15. *Repealing Clause.* - All laws, decrees, orders, rules and regulations or  
3 parts thereof which are inconsistent with the provisions of this Act are hereby  
4 repealed or modified accordingly.

5

6 SEC. 16. *Effectivity.* - This Act shall take effect fifteen (15) days after its  
7 publication in two (2) national newspapers of general circulation.

Approved,

8