

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



Senate  
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SENATE

SB No. 286

RECEIVED BY: *ja*

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Introduced by Senator Ramon Bong Revilla, Jr.

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**EXPLANATORY NOTE**

The number of school facilities built has not met the yearly building requirements caused by increases in enrollment. As a result, the backlog of classroom has increased. This shortage in the number of public school buildings in our country has always been a perennial problem associated with the deteriorating quality of our education system.

Today, the national classroom-student ratio for elementary and secondary public schools is a staggering 165, due largely to the free education program, which has not been met by a corresponding increase in the number of classrooms. With only Php2.5 Billion allocated for school buildings in the 2003 GAA the backlog of school rooms will increase to 30,100 classrooms by the end of 2000. To attain the ideal classroom-student ratio in the next five (5) years, a total of 129,000 new classrooms have to be constructed excluding those that have to be rehabilitated.

The bill seeks to create a comprehensive program which will address the problem of classroom shortage. A salient feature of this bill is the provision of build operate transfer, build- lease-transfer, build-transfer, rehabilitate-operate transfer, and other contractual arrangements that will allow the use of both government and private funds to finance the construction of needed school buildings, and the creation of an inter-agency committee to formulate and ensure the effective implementation of the program by the Department of Education (DepEd). The program also provide for the integration of all the necessary information for the effective monitoring and maintenance of existing school buildings. It is hoped that with the passage of this bill, class sizes will be reduced to a manageable level for a more conducive learning environment and thus result in the improvement in the quality of our education.

For the- above mentioned reasons, approval of this bill is earnestly sought.

  
RAMON BONG REVILLA, JR.

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**AN ACT**  
**AMENDING REPUBLIC ACT NO. 7880 OTHERWISE KNOWN AS "AN ACT**  
**PROVIDING FOR THE FAIR AND EQUITABLE ALLOCATION OF THE**  
**DEPARTMENT OF EDUCATION, CULTURE AND SPORTS' BUDGET FOR**  
**CAPITAL OUTLAY'**

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

**SECTION 1.** Republic Act No. 7880 is hereby amended, and the subsequent sections thereby renumbered, by inserting a new Section 3, to read as follows:

**"SEC. 3. COVERAGE. - THE PROVISIONS OF THIS ACT SHALL COVER ALL FUNDS AND BUDGET APPROPRIATED AS CAPITAL OUTLAY FOR THE DEPARTMENT OF EDUCATION (DEPED) INCLUDING, BUT NOT LIMITED TO, THE FUNDS APPROPRIATED FOR THE SCHOOL BUILDING PROGRAM AND LOCALLY-FUNDED PROJECTS OF THE DEPARTMENT OF EDUCATION."**

**SECTION 2.** Section 3 of the same Act is hereby amended to read as follows:

**"SEC. [3]4. Definition of Terms. -As used in this Act, the following terms are hereby defined as follows:**

- a) *Capital Outlay* - refers to the provisions of the General Appropriations Act, particularly those pertaining to the budget of the [DECS] **DEPED** for elementary and secondary education for (i) the acquisition and improvement of sites; (ii) the construction, replacement, rehabilitation and repair of buildings, classrooms, libraries, workshops, toilets **AND SANITATION FACILITIES** and other structures; and (iii) [furniture, fixtures, and equipment such as, but not limited to, desks, chairs, laboratory and workshop implements, computers, books,] **OTHER PROPERTY, PLANT AND EQUIPMENT IN ACCORDANCE WITH THE CURRENT GOVERNMENT ACCOUNTING STANDARDS PRESCRIBED BY 'THE COMMISSION ON AUDIT, SUCH AS FURNITURE, FIXTURES, EQUIPMENT, COMPUTERS,** and the other basic and essential tools for learning whose beneficial use shall exceed one (1) year; [and]

- b) **CLASSROOM - REFERS TO A STRUCTURE BUILDING INTENDED FOR INSTRUCTIONAL PURPOSES, INCLUDING CHAIRS, DESK AND OTHER SIMILAR FIXTURES; AND**
- c) *Classroom Shortage* - refers to the number of classrooms whose construction, in considering the number of students divided by the existing number of classrooms, shall result in a student-classroom of [45:1] 40:1; classrooms, **UNDER THIS DEFINITION**, shall Mean those exclusively used for instructional purposes and shall exclude offices libraries, laboratories, workshops and the like."

**SECTION 3.** Section 4 of the same Act is hereby amended to read as follows:

"SEC. [4] 5. Allocation of Appropriation. -Notwithstanding Any provision of the law to the contrary, the annual [DECS] DEPED budget for capital outlay, as defined in Section [3] 4(a), shall be allocated among the legislative districts in the

[(a) on the first year of the effectivity of this Act:

- (1) Thirty percent (30%) of the total capital outlay to be allocated pro rata according to each legislative district's student population in relation to the total student population of the country;
- (2) Sixty percent (60%) of the total capital outlay to be allocated only among those legislative districts with classroom shortages as defined in Section 3 (b), pro-rata to the total classroom shortage of the country pursuant to Section 3 (b) as determined by the DECS; and
- (3) Ten percent (10%) to be allocated in accordance with the implementation of the policy of this Act as may be determined by the DECS.

(b) On the second year and every year thereafter:

- (1) Fifty percent (50%) of the total capital outlay to be allocated pro-rata according to each legislative district's student population in relation to the total student population of the country;
- (2) Forty percent (40%) of the total capital outlay to be allocated only among those legislative districts with classroom shortages, as defined in Section 3 (b), pro-rata to the total classroom shortage of the country pursuant to Section 3(b) as determined by the DECS; and
- (3) Ten percent (10%) to be allocated in accordance with the implementation of the policy of this Act as may be determined by the DECS].

- (a) **TEN PERCENT (10%) OF THE TOTAL CAPITAL OUTLAY TO BE ALLOCATED PRO-RATA ACCORDING TO EACH LEGISLATIVE DISTRICT'S STUDENT POPULATION IN RELATION TO THE TOTAL STUDENT POPULATION OF THE COUNTRY;**

- (b) **EIGHTY PERCENT (80%) OF THE TOTAL CAPITAL OUTLAY TO BE ALLOCATED ONLY AMONG THOSE LEGISLATIVE DISTRICTS WITH CLASSROOM SHORTAGES, PRO RATA TO THE TOTAL CLASSROOM SHORT AGE OF THE COUNTRY PURSUANT TO SECTION 4(c) AS DETERMINED BY THE DEPED; AND**
- (c) **TEN PERCENT (10%) TO BE ALLOWED IN ACCORDANCE WITH THE IMPLEMENTAION OF THE POLICY OF THIS ACT AS MAY BE DETERMINED BY THE DEED."**

**SECTION 4.** Section 5 of the same Act is hereby amended to read as follows:

"SEC.[5] 6. Use of Allocation. The total amount allocated herein shall be 'used exclusively for capital outlay pursuant to the educational priorities of the legislative district, as determined by the [DECS] **DEPED** upon prior consultation with the representative of each legislative district: *Provided*, That the primary objective in the use of any allocation shall be to eliminate **SCHOOL BUILDING/classroom** shortages if any: **PROVIDED, HOWEVER, THAT SCHOOL BUILDING/CLASSROOM APPROPRIATE NUMBER OF TOILETS AND/OR SANITATION FACILITIES SHALL ALSO BE CONSTRUCTED IN ACCORDANCE WITH THE SCHOOL SANITATION AND HEALTH SERVICES CHAPTER OF THE CODE ON SANITATION OF THE PHILIPPINES (CHAPTER VI, P.D. 856):** *Provided*, further, that any amounts allocated in accordance with [subparagraph (1) of paragraphs (a) and (b)] **PARAGRAPH (a)** of the preceding section shall be used only for the acquisition or improvement of school sites, construction of school buildings and classrooms and the purchase of material or equipment that directly aid in education: *Provided*, furthermore, That the amount so appropriated in accordance with [subparagraph (2) of paragraphs (a) and (b)] **PARAGRAPH (b)** of the same section shall be used exclusively for the construction of new school buildings **AND/OR CLASSROOMS**: *Provided*. Finally, That if the amount so appropriated in [subparagraph (2) of paragraphs and (b)] **PARAGRAPH (b)** should exceed the amount required to meet classroom shortage. The excess shall be integrated with [subparagraph (1) of paragraphs (a) and (b)] **PARAGRAPH (a)** of the same section excluding capital outlays of division offices, regional and central offices.

**SECTION 5.** Before Section 6 of Republic Act 7880, insert two (2) new sections to read as follows:

**"SEC. 7. INCREASE IN THE ANNUAL BUDGET ALLOCATION. THE BUDGET ALLOCATION PROVIDED FOR THE CAPITAL OUTLAY OF THE DEPED UNDER THIS ACT SHALL BE INCREASED ANNUALLY BY TWENTY PERCENT (20%) TO COMPLY WITH THE TARGETED CLASSROOM-STUDENT RATIO/ AND TO DECREASE CLASSROOM SHORTAGE IN THE COUNTRY.**

**SEC. 8. REPORTORIAL REQUIREMENT. THE DEPARTMENT OF BUDGET AND MANAGEMENT (DBM), THE DEPARTMENT**

**OF PUBLIC WORKS AND HIGHWAYS (DPWH), AND THE DEPARTMENT OF EDUCATION (DEPED) ARE HEREBY REQUIRED TO SUBMIT TO THE RESPECTIVE COMMITTEES ON EDUCATION OF BOTH HOUSES OF CONGRESS AN ANNUAL REPORT ON THE RELEASE AND UTILIZATION OF THE CAPITAL OUTLAY UNDER THIS ACT: PROVIDED, THAT SUCH SUBMISSION SHALL BE SEPARATE AND DISTINCT FROM THE REPORTS THEY SUBMIT TO CONGRESS RELATED TO DELIBERATIONS ON THE ANNUAL GENERAL APPROPRIATIONS ACT."**

Sections 6 and 7 of Republic Act 7880 are hereby renumbered as Sections 9 and 10 respectively.

**SECTION 6.** Section 8 of the same Act is hereby amended and accordingly renumbered to read as follows:

**SEC. [8] 11. *Penal Clause* - ANY VIOLATION OF THE PROVISIONS OF THIS ACT SHALL BE CONSIDERED AS DERELICTION OF DUTY AS SET FORTH IN PERTINENT ADMINISTRATIVE AND CIVIL SERVICE LAWS, AND SHALL BE ADMINISTRATIVELY DEALT WITH IN ACCORDANCE WITH APPROPRIATE EXISTING ADMINISTRATIVE PROCEDURES AND PENALTIES.**

Any public official or employee or private individual who willfully or knowingly misappropriates the funds allocated herein or uses the same for personal gain in violation of Section [5] 6 of this Act shall be punished with perpetual disqualification from public office and imprisonment for not less than six (6) years but not more than fifteen (15) years.

**SECTION 7.** Section 9 of the same Act is hereby amended and accordingly renumbered to read as follows:

**"SEC. [9] 12. Release of Capital Outlays.** The appropriation herein provided for the construction, rehabilitation, replacement, completion and repair of School buildings shall be [directly released to and administered by the Department of Public Works and Highways based on the work program submitted by the [DECS] **DEPED**: Provided, That fifty percent (50%) of the total appropriation for capital outlay shall be released automatically on the first quarter of the calendar year, including its corresponding notice of cash allocation.] **RELEASED IN THE FOLLOWING MANNER:**

- 1. ON THE FIRST YEAR OF THE EFFECTIVITY OF THIS ACT:**
  - A. FIFTY PERCENT (50%) OF THE SCHOOL BUILDING FUND SHALL BE DIRECTLY RELEASED TO AND ADMINISTERED THE DEPED OR THE LOCAL GOVERNMENT UNIT AS MAY BE AUTHORIZED BY THE DEPED, UNDER THE LATTER'S SCHOOL BUILDING PROGRAM.**
  - B. FIFTY PERCENT (50%) OF THE SCHOOL BUILDING FUND SHALL BE THE DEPARTMENT OF PUBLIC WORKS AND HIGHWAY (DPWH) BASED ON THE WORK PROGRAM**

**SUBMITTED BY THE DEPED.**

**2. ON THE SECOND YEAR OF THE EFFECTIVITY OF THIS ACT:**

**A. SEVENTY PERCENT (70%) OF THE SCHOOLBUILDING FUND SHALL BE DIRECTLY RELEASED TO AND ADMINISTERED BY THE DEPED OR THE LOCAL GOVERNMENT UNIT AS MAY BE AUTHORIZED BY THE DEPED, UNDER THE LATTER'S SCHOOL BUILDING PROGRAM;**

**B. THIRTY PERCENT (30%) OF THE SCHOOLBUILDING FUND SHALL BE DIRECTLY RELEASED TO AND ADMINISTERED BY THE DPWH BASED ON THE WORK PROGRAM SUBMITTED BY THE DEPED.**

**3. ON THE THIRD YEAR AND EVERY YEAR THEREAFTER, THE SCHOOLBUILDING FUND SHALL BE DIRECTLY RELEASED TO AND ADMINISTERED BY THE DEPED OR THE LOCAL GOVERNMENT UNIT AS MAY BE AUTHORIZED BY THE DEPED, UNDER THE LATTER'S SCHOOL BUILDING PROGRAM.**

**PROVIDED, THAT THE DBM AND THE DEPED SHALL FORM WITHIN THE LAST QUARTER OF EVERY YEAR A COMMITTEE, TASKED TO DRAW A SCHOOL BUILDING EXPENDITURE PROGRAM WHICH SHALL BE IMPLEMENTED IN THE IMMEDIATELY SUCCEEDING YEAR, WHICH AMONG OTHERS, SHALL INCLUDE A LIST OF SCHOOL BUILDING/CLASSROOM TO BE FUNDED BY THE SAID SUCCEEDING YEARS BUDGET. THE DRAWING OF THE PRORAM TOGETHER WITH THE LIST SHALL BE DEEMED COMPLETE AND FINAL ON 31 DECEMBER OF EVERY YEAR, EVIDENCED BY THE SIGNATURES OF BOTH THE DBM AND DEPARTMENT OF EDUCATION (DEPED) SECRETARIES;**

**PROVIDED FURTHER, THAT THE DBM SHALL ISSUE THE SPECIAL ALLOTMENT RELEASE ORDER (SARO) (OR ITS EQUIVALENT) FOR PROJECTS IN THE LIST, TOGETHER WITH THE RELEASE OF CASH AMOUNT EQUIVALENT TO AT LEAST FIFTEEN PERCENT (15%) OF EACH TOTAL PROJECT COST, ON OR BEFORE JANUARY 31;**

**PROVIDED FURTHERMORE, THAT THE BIDDING AND THE AWARDDING FOR SAID PROJECTS SHALL HAVE BEEN COMPLETED WITHIN SIXTY (60) DAYS AFTER THE ISSUANCE OF THE SARO;**

**PROVIDED FINALLY, THAT THE NOTICE OF CASH ALLOCATION (NCA) (OR ITS EQUIV ALENT), WHICH SHALL CONTAIN THE BALANCE OF THE TOTAL PROJECT COST, SHALL BE RELEASED AND COMPLETED WITHIN THIRTY DAYS AFTER THE AWARDDING OF THE PROJECT TO THE IMPLEMENTOR.**

**FAILURE TO COMPLY WITH ANY OF THE PROVISIONS OF THIS SECTION SHALL RENDER THE SECRETARIES OR THE**

**CONCERNED STAFF LIABLE UNDER THE PENAL PROVISIONS OF THIS ACT.**

**SECTION 8.** Another new Section is hereby added to RA 7880 to read as follows:

**"SEC.13. MISCELLANEOUS PROVISIONS. ALL REFERENCES TO THE "DEPARTMENT OF EDUCATION, CULTURE AND SPORTS" IN REPUBLIC ACT 7880 ARE ACCORDINGLY AMENDED TO READ "DEPARTMENT OF EDUCATION (DEPED)." THE OTHER SECTIONS IN RA 7880 AFFECTED BY THE PRECEDING SECTIONS ARE HEREBY RENUMBERED ACCORDINGLY.**

**SECTION 9. Repealing Clause.** - All laws, decrees, orders, rules and regulations, and all other issuances or parts thereof, which are inconsistent with this Act are deemed repealed or modified accordingly.

**SECTION 10. Separability Clause.** -The provisions of this Act are hereby declared to be separable and, in the event any provision is declared unconstitutional, the other provisions which are not affected thereby shall remain in full force and effect.

**SECTION 11. Effectivity.** -This Act shall take effect fifteen (15) days following its publication in a newspaper of general circulation in the Philippines.

Approved,