

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



Senate
Office of the Secretary

'13 JUL -4 AIO :26

SENATE

S. No. 463

RECEIVED BY: *Jui*

Introduced by Senator Ralph G. Recto

Explanatory Note

Education plays a crucial role in the country's economic growth and prosperity. Providing quality education is a step forward in preparing our young to compete in a global economy that is driven by knowledge and new technologies.

This bill seeks to amend Republic Act No. 7880, also known as the "Fair and Equitable Access to Education Act," for the purpose of eliminating the recurring problem of classroom shortage in the country, as well as rationalizing the construction, rehabilitation, replacement, completion, and repair of needed school buildings and classrooms.

The enactment of R.A. No. 7880 was aimed at the realization of the mandate under Article XIV, Section 2(1) of the Constitution that the State shall "establish, maintain, and support a complete, adequate, and integrated system of education relevant to the needs of the people and society." The Philippine Constitution likewise has emphasized that budget priority shall be given to education.

However, the annual appropriation for school building program has not been adequate to bridge the gaps in classroom requirements. For 2013, the DEPED has reported a classroom shortage of 35,000, which number will certainly hamper the attainment of the education sector goals if the problem is left unresolved especially when the K-12 program is fully implemented.

The present state of our educational system demands urgent measures to address the problems and issues in the provision of adequate access to better education to the Filipino youth.

As provided under R.A. No. 7880, 50% of the total capital outlay for the Department of Education (DepEd) is allocated *pro rata* to legislative districts according to student population, while only 40% is allocated to those with classroom shortages. The thrust of this bill is to shift priority, to areas with scarcity of classrooms by increasing the resource allocation for classroom shortages from 40% to 70% of the total capital outlay, while reducing the allocation for capital outlay according to student population from 50% to 20%. This is coupled with the proposed annual increase in the budget by 20% to eradicate classroom shortage.

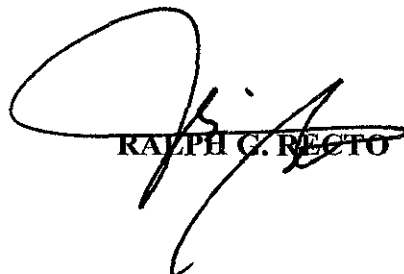
The present formula no longer responds to the existing school building/classroom statistics. Because of the priority given to the *pro rata* sharing based on student enrolment without consideration for existing classrooms, a number of legislative districts are allocated more than their classroom requirement while other districts with more critical classroom shortage do not get their fair share of classroom allocation.

The bill also provides that the obligational authority whether Special Allotment Release Order (SARO) or its equivalent and the corresponding 15% cash allocation shall be released not later than January 31 of the pertinent fiscal year. The agency, on the other hand, is compelled to complete the bidding and awarding process within sixty (60) days upon receipt of said fund release documents.

The bill also directs the creation of a National School Building Committee composed of the DepEd and the Department of Budget and Management (DBM) to draw the Annual School Building Expenditure Program.

With a more meaningful rationalization of the school building program through these amendments, the DepEd is expected to be better equipped to respond to the classroom shortage and provide education that will prepare our children for a better future.

Hence, the immediate approval of this bill is earnestly sought.



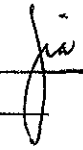
RALPH C. RECTO



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SENATE

S. No. 463

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AN ACT
ADDRESSING THE CLASSROOM SHORTAGE BY RATIONALIZING THE
ALLOCATION OF THE DEPARTMENT OF EDUCATION (DEPED) BUDGET FOR
CAPITAL OUTLAY, AMENDING FOR THE PURPOSE REPUBLIC ACT NO. 7880,
OTHERWISE KNOWN AS THE "FAIR AND EQUITABLE ACCESS TO EDUCATION
ACT"

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

1 **SECTION 1.** Republic Act No. 7880 is hereby amended by inserting a new Section 3
2 after Section 2, to read as follows:

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

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

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

12 "(A) *Capital Outlay* - refers to the provisions of the General
13 Appropriations Act, particularly those pertaining to the
14 budget of the [DECS] DEPED for elementary and secondary
15 education for (i) the acquisition and improvement of sites; (ii)
16 the construction, replacement, rehabilitation and repair of
17 buildings, classrooms, libraries, workshops, toilets AND
18 SANITATION FACILITIES and other structures; and (iii)
19 [furniture, fixtures, and equipment such as, but not limited to,
20 desks, chairs, laboratory and workshop implements,
21 computers, books,] OTHER PROPERTY, PLANT AND
22 EQUIPMENT IN ACCORDANCE WITH THE CURRENT
23 GOVERNMENT ACCOUNTING STANDARDS

1 PRESCRIBED BY THE COMMISSION ON AUDIT, SUCH
2 AS FURNITURE, FIXTURES, EQUIPMENT,
3 COMPUTERS, and the other basic and essential tools for
4 learning whose beneficial use shall exceed one (1) year; [and]

5 "(B) *CLASSROOM* – REFERS TO A STRUCTURE/BUILDING
6 INTENDED FOR INSTRUCTIONAL PURPOSES,
7 INCLUDING CHAIRS, DESK AND OTHER SIMILAR
8 FIXTURES; AND

9 “(C) *Classroom Shortage* - refers to the number of classrooms
10 whose construction, in considering the number of students
11 divided by the existing number of classrooms, shall result in a
12 student-classroom of 40:1 [45:1]; classrooms, UNDER THIS
13 DEFINITION, shall mean those exclusively used for
14 instructional purposes and shall exclude offices, libraries,
15 laboratories, workshops and the like.”

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

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

21 “(A) TWENTY PERCENT (20%) OF THE TOTAL CAPITAL
22 OUTLAY TO BE ALLOCATED PRO-RATA ACCORDING
23 TO THE STUDENT POPULATION OF EACH
24 LEGISLATIVE DISTRICT IN RELATION TO THE TOTAL
25 STUDENT POPULATION OF THE COUNTRY;

26 “(B) SEVENTY PERCENT (70%) OF THE TOTAL CAPITAL
27 OUTLAY TO BE ALLOCATED ONLY AMONG THOSE
28 LEGISLATIVE DISTRICTS WITH CLASSROOM
29 SHORTAGES, PRO-RATA TO THE TOTAL CLASSROOM
30 SHORTAGE OF THE COUNTRY PURSUANT TO SECTION
31 4(C) AS DETERMINED BY THE DEPED; AND

32 “(C) TEN PERCENT (10%) TO BE ALLOCATED TO
33 NATIONAL HIGH SCHOOLS IN ACCORDANCE WITH
34 THE IMPLEMENTATION OF THE POLICY OF THIS ACT
35 AS MAY BE DETERMINED BY DEPED.”

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

37 (1) thirty percent (30%) of the total capital outlay to be
38 allocated pro-rata according to each legislative district's

1 student population in relation to the total student
2 population of the country;

3 (2) sixty percent (60%) of the total capital outlay to be
4 allocated only among those legislative districts with
5 classroom shortages as defined in Section 3 (b), pro-rata
6 to the total classroom shortage of the country pursuant to
7 Section 3 (b) as determined by the DECS; and

8 (3) ten percent (10%) to be allocated in accordance with the
9 implementation of the policy of this Act as may be
10 determined by the DECS.

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

12 (1) fifty percent (50%) of the total capital outlay to be
13 allocated pro-rata according to each legislative district's
14 student population in relation to the total student
15 population of the country;

16 (2) forty percent (40%) of the total capital outlay to be
17 allocated only among those legislative districts with
18 classroom shortages, as defined in Section 3 (b), pro-rata
19 to the total classroom shortage of the country pursuant to
20 Section 3(b) as determined by the DECS; and

21 (3) ten percent (10%) to be allocated in accordance with the
22 implementation of the policy of this Act as may be
23 determined by the DECS.]

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

25 "SEC. 6 [5]. *Use of Allocation.* The total amount allocated herein shall
26 be used exclusively for capital outlay pursuant to the educational priorities of
27 the legislative district, as determined by the [DECS] DEPED upon prior
28 consultation with the representative of each legislative district: *Provided*, That
29 the primary objective in the use of any allocation shall be to eliminate
30 SCHOOLBUILDING/classroom shortages if any: *PROVIDED*, HOWEVER,
31 THAT FOR EVERY SCHOOLBUILDING/CLASSROOM CONSTRUCTED,
32 THE APPROPRIATE NUMBER OF TOILETS AND/OR SANITATION
33 FACILITIES SHALL ALSO BE CONSTRUCTED IN ACCORDANCE
34 WITH THE SCHOOL SANITATION AND HEALTH SERVICES
35 CHAPTER OF THE CODE ON SANITATION OF THE PHILIPPINES
36 (CHAPTER VI, P.D. 856): *Provided*, further, That any amounts allocated in
37 accordance with [subparagraph (1) of paragraphs (a) and (b)] PARAGRAPH
38 (a) of the preceding section shall be used only for the acquisition or

1 improvement of school sites, construction of school buildings and classrooms
2 and the purchase of material or equipment that directly aid in education:
3 *Provided*, furthermore, That the amount so appropriated in accordance with
4 [subparagraph (2) of paragraphs (a) and (b)] PARAGRAPH (b) of the same
5 section shall be used exclusively for the construction of new school buildings
6 AND/OR CLASSROOMS: *Provided Finally*, That if the amount so
7 appropriated in [subparagraph (2) of paragraphs (a) and (b)] PARAGRAPH (b)
8 should exceed the amount required to meet classroom shortage, the excess
9 shall be integrated with [subparagraph (1) of paragraphs (a) and (b)]
10 PARAGRAPH (a) of the same section excluding capital outlays of division
11 offices, regional and central offices.

12 **SEC. 5.** Republic Act No. 7880 is hereby amended by inserting two (2) new sections
13 after Section 5, to read as follows:

14 "SEC.7. *INCREASE IN THE ANNUAL BUDGET ALLOCATION* -
15 THE BUDGET ALLOCATION PROVIDED FOR THE CAPITAL OUTLAY
16 OF THE DEPED UNDER THIS ACT SHALL BE INCREASED
17 ANNUALLY BY TWENTY PERCENT (20%) TO ACHIEVE THE
18 TARGETED CLASSROOM-STUDENT RATIO AND TO ELIMINATE
19 CLASSROOM SHORTAGE IN THE COUNTRY.

20 "SEC. 8. *REPORTORIAL REQUIREMENT*. - THE DEPARTMENT
21 OF BUDGET AND MANAGEMENT (DBM), THE DEPARTMENT OF
22 PUBLIC WORKS AND HIGHWAYS (DPWH), AND THE DEPED ARE
23 REQUIRED TO SUBMIT TO THE RESPECTIVE COMMITTEES ON
24 EDUCATION OF BOTH HOUSES OF CONGRESS AN ANNUAL REPORT
25 ON THE RELEASE AND UTILIZATION OF THE CAPITAL OUTLAY
26 UNDER THIS ACT: *PROVIDED*, THAT SUCH SUBMISSION SHALL BE
27 SEPARATE AND DISTINCT FROM THE REPORTS THAT THE SAID
28 DEPARTMENTS SUBMIT TO CONGRESS IN RELATION TO THE
29 DELIBERATIONS ON THE GENERAL APPROPRIATIONS BILL."

30 **SEC. 6.** Sections 6 and 7 of Republic Act No. 7880 are hereby renumbered as
31 Sections 9 and 10 respectively.

32 **SEC. 7.** Section 8 of the same Act is hereby amended to read as follows:

33 "SEC. 11 [8]. Penal Clause. ANY VIOLATION OF THE
34 PROVISIONS OF THIS ACT SHALL BE CONSIDERED AS
35 DERELICTION OF DUTY AS SET FORTH IN PERTINENT
36 ADMINISTRATIVE AND CIVIL SERVICE LAWS, AND SHALL BE
37 ADMINISTRATIVELY DEALT WITH IN ACCORDANCE TO

1 APPROPRIATE EXISTING ADMINISTRATIVE PROCEDURES AND
2 PENALTIES.

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

8 **SEC. 8.** R.A. No. 7880 is hereby amended by inserting a new Section 13 after Section 9
9 to read as follows:

10 "SEC. 13. MISCELLANEOUS PROVISIONS. ALL REFERENCES
11 TO THE "DEPARTMENT OF EDUCATION, CULTURE AND SPORTS" IN
12 REPUBLIC ACT NO. 7880 ARE ACCORDINGLY AMENDED TO READ
13 AS "DEPARTMENT OF EDUCATION (DEPED)."

14 **SEC. 9.** The other sections in R.A. No. 7880 affected by the preceding sections are
15 hereby renumbered accordingly.

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

19 **SEC. 11. *Repealing Clause.*** - All laws, decrees, orders, rules and regulations, and all
20 other issuances or parts thereof, which are inconsistent with this Act are deemed repealed or
21 modified accordingly.

22 **SEC. 12. *Effectivity.*** -This Act shall take effect fifteen (15) days following its publication
23 in the Official Gazette or in a newspaper of general circulation.

Approved,