

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



Senate
Office of the Secretary

13 SEP -3 AM 53

SENATE

Senate Bill No. **1480**

RECEIVED BY: *ja*

INTRODUCED BY SEN. JINGGOY EJERCITO ESTRADA

EXPLANATORY NOTE

Article XIV, Section I of the Constitution provides that "the State shall protect and promote the right of all citizens to quality education at all levels and shall take appropriate steps to make such education accessible to all". Thus, education has always enjoyed the highest budgetary priority in the annual budget of government as mandate by the Constitution itself.

However, the meager resources of government led to the stagnation of budgetary allocation across all sectors including education. As a result, the resources provided for education has not kept pace with the growing student population. Massive backlog in classrooms, textbooks, desks and even teachers has continued to plague the public education system.

The passage of the Government Assistance to Students and Teachers in Private Education (GASTPE) Program in 1989 and its subsequent amendment thereto in 1998 tapped the potential of the private education system to fulfill the Constitutional mandate to make education accessible to all Filipinos. It made use of the otherwise unutilized capacity of the private schools to cater to students which cannot be accommodated by the public education system.

Since its inception in 1989, GASTPE has provided support to over 700,000 beneficiaries in private schools. It has helped more than 1,400 private schools which enrolled in the program. The program has been very successful but has not achieved full potential due to budgetary constraints. According to the Department of Education, at least P2 billion pesos is needed on top of the annual appropriations for the program to achieve the desired level of 500,000 beneficiaries at P4,000 per grantee.

In addition to this, the scarce resource for the program has made its appropriation centered on the student beneficiary and have left little or none at all for teachers who are also intended to be provided with the proper training.

This bill seeks to increase the funding for the GASTPE Program in order to address the deficiency in the public education sector. It allocates some P1 billion pesos exclusively to teachers to upgrade their training skills for the delivery of quality education to students.

In addition, it seeks to institute a voucher system in place of the current tuition fee supplement program to further improve benefits to students enrolled in private schools.

In view of the foregoing, the passage of this measure is earnestly sought.


JINGGOY EJERCITO ESTRADA
Senator

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**AN ACT
PROVIDING FOR AN EXPANDED VOUCHER SYSTEM IN THE ELEMENTARY
AND SECONDARY EDUCATION, AMENDING FOR THE PURPOSE
REPUBLIC ACT NO. 6728, AS AMENDED**

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

SECTION 1. Section 2 of Republic Act No. 6728, otherwise known as the
"Government Assistance to Students and Teachers in Private Education Act", as
amended, is hereby further amended to read as follows:

"SEC 2. *Declaration of Policy.* It is a declared policy
of the state in conformity with the mandate of the
Constitution, to promote and make quality education
accessible to all Filipino citizens. The State also hereby
recognizes the complementary roles of public and private
educational institutions in the educational system and the
invaluable contribution that the private schools have made
and will make to education. For these purposes, the State
shall provide the mechanisms to improve quality in private
education, recognizing in the process the government's
responsibility to provide basic elementary and secondary
education, post secondary vocational and technical
education and higher education as having priority over its
other functions.

"Elementary education is the first six (6) years of
basic education, excluding pre-school and grade seven, the
completion of which is attested by a certificate issued by or
with permission of the Department of Education, [Culture
and Sports], Secondary education is the next four (4) years
of basic education, the completion of which is attested by a
high school diploma issued by or with permission of the
Department of Education [, Culture and Sports].

"Post-secondary education maybe education and
training in non-degree vocational and technical courses
offered in post-secondary vocational and technical
institutions or education in degree courses offered by higher
educational institutions, the completion of which are attested

by a certificate or diploma issued by or with permission of the Technical Education and Skills Development Authority (TESDA) or the "Commission on Higher Education" (CHED) respectively."

SEC. 2. Section 3 of Republic Act No. 6728, as amended, is hereby further amended to read as follows:

"SEC 3. *Criteria for Assistance.* The programs for assistance shall be based on a set of criteria which include among others, tuition AND OTHER fees charged by the schools, the socio-economic needs of each region giving priority to the [the Social Reform Agenda (SRA) provinces] THE POOREST REGIONS, PROVINCES OR MUNICIPALITIES overall performance of the schools, the academic qualifications and the financial needs of the schools, as well as the geographic spread and size of student ENROLLMENT.

"In addition to the foregoing criteria, within which such reasonable time as the respective State Assistance Council may determine, student grantees under the Private Education Student Financial Assistance Program shall be enrolled in schools which have accredited programs or are applying for accreditation as may be recognized by the respective State Assistance Council.

"Preference shall be given to students whose ANNUAL family income is [not more than Seventy-two thousand pesos (P72,000.00) or such amounts as may be determined by the respective councils, as defined hereinafter] BELOW THE POVERTY THRESHOLD INCOME LEVEL IN THEIR RESPECTIVE REGION, PROVINCE, OR MUNICIPALITY AS MAYBE DETERMINED BY THE APPROPRIATE GOVERNMENT AGENCY, OR IN THE ABSENCE OF SUCH DATA, THE NATIONAL POVERTY THRESHOLD INCOME LEVEL AS MAYBE DETERMINED BY THE NATIONAL ECONOMIC DEVELOPMENT AUTHORITY.

"For purposes of this Act, programs of assistance to students and teachers of private post-secondary vocational and technical institutions and higher educational institutions shall likewise be extended to students and teachers of community colleges in degree and non-degree programs, implementation of the program shall encourage students to undergo post-secondary vocational and technical and higher education courses in the same region where their families reside.

"The programs of assistance under this Act shall be extended only to students who are citizens of the Philippines.

"The State Assistance Council, jointly with the Department of Education (DepEd)[, Culture and Sports (DECS)] and the TESDA shall formulate measurement standards for the evaluation of the quality of courses as well as the standing and status of the recipient institutions.

"Within five (5) years from the approval of this Act, the assistance shall be given to schools: *Provided*, That the present allocation of the tuition fee and other income of the schools shall be used at the same proportion and allocation as provided by law.

SEC. 3. Section 4 of Republic Act N. 6728, as amended, is hereby further amended to read as follows:

"SEC 4. Forms of Assistance. Assistance to private education shall consist of assistance to students [and], assistance to teachers and ASSISTANCE TO SCHOOLS.

"The following are forms of assistance too students in private education:

- "(1) Tuition fee supplements for students in private [high] ELEMENTARY AND SECONDARY schools, including students in vocational and technical courses;
- "(2) [High School] Textbook Assistance Fund: *Provided*, That the textbook assistance per student in private ELEMENTARY OR SECONDARY [high] schools shall be determined by the council and shall not exceed what students in public ELEMENTARY OR SECONDARY schools are provided on a per student basis [under a comprehensive textbook, program of the Secondary Education Development Program (SEDP)]: *Provided*, further, That the textbook assistance shall be granted only to beneficiaries of tuition fee supplements and educational service contracting scheme provided in this Act;
- "(3) Expansion of the existing Educational Service Contracting (ESC) Scheme;
- "(4) The voucher system of the Private Education Student Financial Assistance Program PESFA;
- "(5) Scholarship grants to students graduation as valedictorians and salutatorians fro ELEMENTARY AND secondary schools;
- "(6) Tuition fee supplements to students in private colleges and universities; and]
- "(7) Education Loan Fund

"The following are forms of assistance to teachers and faculty in private education:

- "(1) In-service training fund for teachers in private [high] ELEMENTARY OR SECONDARY schools; and,
- "(2) College Faculty Development Fund.

THE FOLLOWING ARE FORMS OF ASSISTANCE TO PRIVATE SCHOOLS:

- "(1) UTILIZATION OF THEIR UNUSED CAPACITY THROUGH THE EXPANDED EDUCATION SERVICE CONTRACTING SCHEME;
- "(2) SCHOLARSHIPS FOR QUALIFIED ELEMENTARY AND SECONDARY TEACHERS ENROLLED IN QUALITY GRADUATE PROGRAMS;
- "(3) PARTICIPATION IN GOVERNMENT FUNDED IN-SERVICE TRAINING FOR PRIVATE ELEMENTARY AND SECONDARY TEACHERS;
- "(4) ACCESS TO GOVERNMENT FUNDED LABORATORY FACILITIES ESPECIALLY FOR SCIENCE AND TECHNOLOGY."

SEC. 4. Section 5 of Republic Act No. 6728, as amended, is hereby further amended to read as follows:

"SEC 5. Tuition Fee Supplements for Students in Private [High] ELEMENTARY AND SECONDARY Schools.

- (1) Financial Assistance for tuition [for of students in private [High] ELEMENTARY AND SECONDARY schools shall be provided by the government through a voucher system in the following manner:
 - "(a) For students enrolled in schools charging an amount as may be determined by the State Assistance Council, the government shall provide them with a voucher in such an amount as may be determined by the council: Provided, That the government shall reimburse the vouchers from the schools concerned within one hundred twenty (120) days from the close of the registration period.
- (2) Assistance under paragraph (1), subparagraph a) shall be guaranteed to all private [high] ELEMENTARY AND SECONDARY schools participating in the program for a number of slots as of the effectivity of this Act as the total number of students who availed of tuition fee supplements for school year 1997-1998: Provided, that The State Assistance Council may in subsequent years determine additional slots and/or additional participating ELEMENTARY AND SECONDARY [high] schools as may be deemed necessary."

SEC. 5. Section 6 of Republic Act No. 6728, as amended, is hereby further amended to read as follows:

"SEC 6. [High School] Textbook Assistance Fund. There shall be established in the Department of Education [,Culture and Sports (DECS), a [High School] Textbook Assistance Fund, so that assistance on a per student basis shall be given to students enrolled in private schools exclusively for the purchase of ELEMENTARY OR SECONDARY [high] school textbooks, [in support of the implementation of the Secondary Education Development Program]: Provided, That the textbook assistance per student in private ELENETARY OR SECONDARY [high] schools shall be determined by the council and shall not exceed what students in public ELEMENTARY OR SECONDARY [high] schools are provided on a per student basis,: Provided, further, That the textbook assistance shall be granted only to beneficiaries of tuition fee supplements and educational service contracting scheme provided in this Act."

SEC. 6. Section 7 of Republic Act No. 672, as amended, is hereby further amended to read as follows:

" SEC 7. Expansion of the Existing Educational Service Contracting (ESC) Scheme.

- "(a) The Department of Education [,Culture and Sports (DECS) shall continue to enter into contracts with private schools whereby the government shall shoulder the tuition and other fees of ELEMENTARY AND SECONDARY [high] school students who shall enroll in private [high] schools under this program. PRIORITY SHALL BE GIVEN TO PRIVATE SCHOOLS IN COMMUNITIES WHERE THE PUBLIC SCHOOLS CAN NO LONGER ACCOMMODATE THE STUDENTS DUE TO THE INCREASE IN STUDENT POPULATION, who shall enroll in private [high] schools under this program.
- "(b) The Department shall also enter into contracts with private schools in communities where there are no public ELEMENTARY OR SECONDARY [high] schools, in which case the Department shall shoulder the tuition and other fees of students who shall enroll in said private school.
- "(c) The amount of assistance to be given by the government under this section shall not exceed that determined as the per student cost in public [high] ELEMENTARY AND SECONDARY schools.
- "(d) The Department shall fully pay the subsidized amount to participating schools not later than one hundred eighty (180) days from the close of the registration period.
- "(e) The amount of assistance AND THE NUMBER OF SLOTS SHALL BE DETERMINED BY THE STATE ASSISTANCE COUNCIL AND ALLOCATED [shall be allocated and distributed] among the sixteen (16) regions in proportion to

the total population as well as the [high] ELEMENTARY AND SECONDARY school age population for the first school year; Provided, That starting school year 1998, an equalization scheme shall be implemented by the State Assistance Council.

- “(f) The amount of assistance to private [high] ELEMENTARY AND SECONDARY schools participating in the program shall be guaranteed for a number of slots as of the effectivity of this Act as the number of students availing of educational service contracting assistance for school year 1997-1998; Provided, That the State Assistance Council may, in subsequent years determine additional slots and/or additional participating private [high] ELEMENTARY AND SECONDARY schools as may be deemed necessary.”

SEC. 7. Section 8 of Republic Act No. 6728 as amended, is hereby further amended to read as follows:

“SEC 8. Assistance to College Freshmen. -- (a) The Voucher System of Private Education Student Financial Assistance (PESFA) Program. The existing Private Education Student Financial Assistance (PESFA) Program which covers degree and non-degree vocational/technical courses shall be expanded so that all qualified enrolling first year students can benefit from a scholarship, plus an allowance. Such financial assistance shall be granted to deserving underprivileged students, who shall be selected on the basis of family income, geographic spread and results of competitive examinations to be given by the CHED for degree course and the TESDA for non-degree vocational/technical courses in all secondary schools in coordination with the [DECS] DepEd. The program shall be equitably allocated to provinces and cities in accordance with regional and national plans to priority courses as determined by the CHED and the TESDA.

“For purposes of this Act, an underprivileged student shall refer to a student whose gross income, if any, and that of the combined annual gross income of his/her parents do not exceed [Seventy-two thousand pesos (P72,000.00) THE POVERTY THRESHOLD INCOME LEVEL IN THEIR RESPECTIVE REGION, PROVINCE, OR MUNICIPALITY AS MAYBE DETERMINED BY THE APPROPRIATE GOVERNMENT AGENCY, OR IN THE ABSENCE OF SUCH DATA, THE NATIONAL POVERTY THRESHOLD INCOME LEVEL AS MAYBE DETERMINED BY THE NATIONAL ECONOMIC DEVELOPMENT AUTHORITY.”

SEC. 7. Section 12 of Republic Act No. 6728, as amended, is hereby further to read as follows:

“**SEC 12.** *In Service Training Fund (Inset Fund).* For the purpose improving the quality of teaching in private secondary education, there is hereby established in the Department of Education, [Culture and Sports] an Inset Fund to provide for the upgrading of knowledge and teaching competencies in critical subject areas and for the modernization of teaching techniques and strategies, including training in the use of computers and of other

multi-media educational technologies to assist instruction: Provided, That the Inset Fund shall be available only to qualified licensed teachers in participating private high schools as determined by the State Assistance Council: Provided, further, That the amount of Inset Fund available to private ELEMENTARY AND secondary education shall not exceed that available to public ELEMENTARY AND SECONDARY education as per capita basis."

SEC. 9. Section 14 of Republic Act No. 6728, as amended, is hereby further amended to read as follows:

"SEC 14. *Teacher's Salary Subsidy Fund.* A Teacher's Salary Fund is hereby established in the [DECS] DepEd to grant government subsidy to teachers in private [high] ELEMENTARY AND SECONDARY schools participating in the programs of assistance provided in this Act: Provided, That the total monthly salary which includes the subsidy to be received by such private [high] ELEMENTARY AND SECONDARY school teachers shall not be more than eight percent (80%) of the salary of his counterpart in the public sector. Provided, further, That the amount of monthly subsidy shall not exceed the amount of any monthly salary increase that teachers in public [high] ELEMENTARY AND SECONDARY schools shall after the effectivity of this Act hereinafter receive: Provided, further, That private [high] ELEMENTARY AND SECONDARY school teachers qualified to receive subsidy under this Act are duly licensed by the Professional Regulation Commission: Provided, further, That the government shall provide them with a voucher for the salary subsidy which shall be reimbursed directly to the teachers within sixty (60) days after the close of the school year upon submission of proof of qualification and actual teaching service in a participating private [high] ELEMENTARY OR SECONDARY school; Provided, further, That the present allocation out of increases from tuition and other income shall be maintained; Provided, finally, That in case of insufficiency of funds, priority shall be given to married teachers supporting a family."

SEC. 10. Section 15 of Republic Act No. 6728, as amended, is hereby further amended to read as follows:

"SEC 15. *Program Administration Rules and Regulations.* The State assistance Council shall be responsible for policy guidance and direction, monitoring and evaluation of new and existing programs, and the promulgation of the rules and regulations, while the Department of Education [Culture and Sports], the TESDA and the CHED shall be responsible for the day to day administration and program implementation for the programs of assistance to private ELEMENTARY AND secondary education, post secondary vocational and technical education and higher education, respectively. Likewise, it may engage the services and support of any qualified government or private entity SUCH AS THE FUND FOR ASSISTANCE TO PRIVATE EDUCATION (FAPE) AS A PERMANENT SECRETARIAT for its implementation."

"The State Assistance Council, hereinafter known as the Council, shall be headed by the Secretary of Education, [Culture

and Sports] as chairperson, the chairperson of the CHED and the Director General of the TESDA as co-chairpersons, with representatives from the National Economic Development Authority, the Department of Budget and Management, the Department of Science and Technology, and representatives from duly organized nationwide associations of teachers, students, parents and school administrators concerned with ELEMENTARY, secondary, post-secondary vocational and technical education and higher education as members. The last FOUR (4) three (3) members shall be appointed by the Council upon the recommendation of their respective sectors for a term of THREE (3) [one (1) school year subject to reappointment [for a maximum term of four (4) school years] UPON THE RECOMMENDATION OF THEIR RESPECTIVE SECTORS. A representative each from the Committee on Education of both Houses of Congress shall be designated resource persons to the Council.

"the Council shall meet, from time to time, as the need arises, to assess the effectivity of the programs and to ensure that the ELEMENTARY AND secondary schools, post-secondary vocational and technical institutions and higher educational institutions may continue to enroll students and teachers/faculty as recipients of government assistance under this Act."

SEC. 11. Section of Republic Act No. 6728, as amended, is hereby further amended to read as follows:

"SEC 16. Appropriations. The amount needed to implement these programs shall be provided for in the Annual General Appropriations Act [for] BEGINNING the year [1998] 2004. The ANNUAL appropriations of [One billion pesos (P1,000,000,000.00) already appropriated under the General Appropriations Act of 1998 shall be used for this purpose]. The DepEd TO CARRY OUT THE PROVISIONS OF THIS ACT SHALL BE INCREASED TO THREE BILLION PESOS (P3,000,000,000.00) OF WHICH THE AMOUNT OF ONE BILLION SHALL BE ALLOCATED AS ASSISTANCE TO ELEMENTARY AND SECONDARY TEACHERS OF THE PARTICIPATING SCHOOLS. LIKEWISE, TO DO THE SAME, THE CHED AND TESDA APPROPRIATIONS SHALL BE INCREASED TO FIVE MILLION (P5,000,000,000.00) AND TWO HUNDRED FIFTY MILLION (P250,000,000,000) RESPECTIVELY.

"All funds appropriated for this purpose shall be constituted as a trust fund to be administered by the State Assistance Fund, which shall be SEPARATE AND DISTINCT FROM THE REGULAR APPROPRIATIONS OF THE DepEd AND SHALL BE RELEASED BY THE DepEd, CHED AND TESDA DIRECTLY TO THEIR RESPECTIVE PARTICIPATING SCHOOLS [directly and automatically released to the different regional offices of the DECS]."

SEC. 12. Section 17 of Republic Act No. 6728, as amended, is hereby further amended to read as follows:

"SEC 17. Penalties. In case of violations of the provisions of this Act or the rules and regulations promulgated pursuant

thereto by an institution, the Department of Education, [Culture and Sports], the TESDA and the CHED, upon the recommendation of the Council, may bar the institution from participating in or benefiting from the programs of this Act, and from other programs of the Department, without prejudice to administrative and criminal charges as maybe filed against the school and/or its responsible officers under existing laws."

SEC. 13. *Repealing Clause.* All laws, decrees and such letters of instructions, rules and regulations or parts thereof which are inconsistent with this Act are hereby repealed or modified accordingly.

SEC. 14. *Separability Clause.* If any provision of this Act is declared unconstitutional, the same shall not affect the validity and effectivity of other provisions not affected thereby.

SEC. 15. *Effectivity Clause.* This Act shall take effect immediately upon its publication in two newspapers of general circulation.

Approved,