

13 OCT -3 P5:37

SENATE
S. No. 1802

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Introduced by Senator Miriam Defensor Santiago

EXPLANATORY NOTE

The Constitution, Article 14, provides:

Section 1. 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.

Section 2. The State shall:

xxx xxx xxx

(2) Establish and maintain a system of free public education in the elementary and high school levels. Without limiting the natural right of parents to rear their children, elementary education is compulsory for all children of school age.

(3) Establish and maintain a system of scholarship grants, student loan programs, subsidies, and other incentives which shall be available to deserving students in both public and private schools, especially the underprivileged.

However, despite the mechanisms already implemented by the government like the assistance given to students in private education provided in R.A. No. 6728, many Filipinos still cannot afford the rising cost of education. As a result, a substantial number of students take part-time jobs to cover the expenses. Others cut their expenses on basic needs such as food, medicine, clothing, and housing.

This bill aims to alleviate the burden of shouldering educational expenses placed on the students. It gives discounts for college students, particularly those who belong to the underprivileged class forced to take part-time jobs. The government instituted a similar discount mechanism for assisting senior citizens in Republic Act No. 7432.*

act

MIRIAM DEFENSOR SANTIAGO

* This bill was drafted by the participants in the *Summer sa Senado* program, namely: Alfred de Guzman, Karlos Entuna, Deona Laine Figura, Kenvyn Garcia, Michael Pernites, and Sandee Recabar.

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S. No. 1802

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1 AN ACT
2 GRANTING DISCOUNTS ON BASIC SERVICES AND EDUCATION SERVICES
3 TO UNDERPRIVILEGED COLLEGE STUDENTS

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

4 SECTION 1. *Short Title.* – This Act shall be known as the “Underprivileged College
5 Students Discount Act.”

6 SECTION 2. *Declaration of Policy.* – It is the policy of the State to prioritize quality
7 education and take appropriate steps to make such education accessible to all.

8 SECTION 3. *Definition of Terms.* – As used in this Act:

9 (A) “Underprivileged College Students” refer to persons enrolled in the tertiary level
10 whose annual gross income combined with the gross annual income of his or her parents do not
11 exceed Two Hundred Thousand Pesos (P200,000.00) subject to review by the National
12 Economic and Development Authority (NEDA) every three (3) years; and

13 (B) “Commission” refers to the Commission on Higher Education.

14 SECTION 4. *Discounts for the Underprivileged College Students.* –

15 (A) On Food Establishments – A twenty percent (20%) discount shall be granted to
16 the underprivileged college students by food establishments such as food chains, canteens,
17 restaurants anywhere in the country: *Provided*, that private food establishments may claim the
18 cost as tax credit;

1 (B) On Transportation – A twenty percent (20%) discount shall be granted to the
2 underprivileged college students by any public vehicle operator anywhere in the country;
3 *Provided*, that these public vehicle operators may claim the cost as tax credit;

4 (C) On Medicines – A twenty percent (20%) discount shall be granted to the
5 underprivileged college students by pharmacies or drug stores anywhere in the country:
6 *Provided*, that these pharmacies or drug stores may claim the cost as tax credit;

7 (D) On Textbooks and School Supplies – A twenty percent (20%) discount shall be
8 granted to the underprivileged college students by establishments anywhere in the country which
9 sell reference books for college and school supplies; *Provided* that these establishments may
10 claim the cost as tax credit; and

11 (E) On Tuition Fees, Miscellaneous, and Other School Fees – A twenty percent (20%)
12 discount on these fees shall be granted to the underprivileged college students by schools where
13 they are enrolled anywhere in the country, without prejudice to their right in availing of other
14 educational assistance given by non-government organizations or the government, such as the
15 “Study Now, Pay Later Plan” under Republic Act No. 6728; *Provided* that the schools may claim
16 the cost as tax credit.

17 SECTION 5. *Office for Special Services.* – There is established an Office for Special
18 Services in the Commission on Higher Education. The functions of this office are:

19 (A) To plan, implement, monitor yearly work programs, evaluate, and submit annual
20 reports in pursuance of the objectives of this Act;

21 (B) To conduct investigation, receive documentary proof, and identify who are the
22 eligible underprivileged college students based on the provisions in this Act;

23 (C) To maintain and regularly update on a quarterly basis, the list of underprivileged
24 college student to avail of the discounts;

25 (D) To issue certificates and/or identification cards which shall be valid anywhere in
26 the country as proof of the eligibility of the underprivileged college student to avail of the
27 discounts;

1 (E) To cancel the certificates issued for those covered under Section 5.

2 (F) To provide information with the affected establishments under Section 4 for any
3 questions regarding the eligibility of any underprivileged college students claiming the
4 discounts; and

5 (G) To perform such other functions as may be determined by the Commission in the
6 implementation of this Act.

7 SECTION 7. *Implementing Rules and Regulations.* – The Commission, in coordination
8 with the National Economic Development Authority, the Department of Health, the Land
9 Transportation Franchising and Regulatory Board, the Department of Trade and Industry, and
10 such other appropriate government agencies, shall issue the necessary rules and regulations to
11 carry out the objectives of this Act within sixty (60) days from the effectivity of this Act.

12 SECTION 8. *Penalties.* – The first violation of any provision of this Act or its
13 implementing rules and regulations shall be punished by a fine of not less than Five Thousand
14 Pesos (P5,000.00) but not more than Ten Thousand Pesos (P10,000.00) and cause the suspension
15 of the license to operate or the business permit of the violator for not less than one (1) week but
16 not more than four (4) weeks. The succeeding violation shall be punished by a fine of not less
17 than Ten Thousand Pesos (P10,000.00) but not more than Twenty Thousand Pesos (P20,000.00)
18 and cause the permanent revocation of the license to operate or the business permit of the
19 violator.

20 SECTION 9. *Appropriation.* – There is hereby appropriated such amounts as may be
21 necessary to carry out the provisions and objectives of this Act.

22 SECTION 10. *Separability Clause.* – If any provision or part hereof is held invalid or
23 unconstitutional, the remainder of the law or the provision not otherwise affected shall remain
24 valid and subsisting.

1 SECTION 11. *Repealing Clause.* – Any law, presidential decree or issuance, executive
2 order, letter of instruction, administrative order, rule, or regulation contrary to or inconsistent
3 with the provisions of this Act is hereby repealed, modified, or amended accordingly.

4 SECTION 12. *Effectivity Clause.* – This Act shall take effect fifteen (15) days after its
5 publication in at least two (2) newspapers of general circulation.

Approved,