

**FOURTEENTH CONGRESS OF THE)
REPUBLIC OF THE PHILIPPINES)
First Regular Session)**

8 MAR 10 P5 01

SENATE

RECEIVED BY: 

COMMITTEE REPORT NO. 41

Submitted jointly by the Committees on Labor, Employment and Human Resources Development and Finance on MAR 10 2008

RE : S. B. No. 2116 prepared by the Committees.

Recommending its approval in substitution of S. B. Nos. 6, 776, 917, 923 and 1621.

Sponsor : Senator J. Ejercito Estrada

MR. PRESIDENT:

The Senate Committee on Labor, Employment and Human Resources Development joint with the Committee on Finance to which were referred S. B. No. 6 introduced by Senator J. Ejercito Estrada, *entitled:*

"AN ACT

MAKING R. A. 7323 MORE EFFECTIVE AND RELEVANT TO PRESENT AND FUTURE CONDITIONS BY EXPANDING ITS COVERAGE IN TERMS OF EMPLOYER PARTICIPATION, ADJUSTING THE INCOME CLASSIFICATION REQUIREMENT THEREIN, PROVIDING AUTOMATIC AND NON-DIMINUTION CLAUSES ON ITS BUDGETARY ALLOCATION AND PROVIDING PENALTIES FOR THOSE WHO DISHONOR THE EDUCATIONAL VOUCHERS, AMENDING FOR THESE PURPOSES R. A. 7323 ENTITLED "AN ACT TO HELP POOR BUT DESERVING STUDENTS PURSUE THEIR EDUCATION BY ENCOURAGING THEIR EMPLOYMENT DURING SUMMER AND/OR CHRISTMAS VACATIONS, THROUGH INCENTIVES GRANTED TO EMPLOYERS, ALLOWING THEM TO PAY ONLY SIXTY PER CENTUM OF THEIR SALARIES OR WAGES AND THE FORTY PER CENTUM THROUGH EDUCATIONAL VOUCHERS TO BE PAID BY THE GOVERNMENT PROHIBITING AND PENALIZING THE FILING OF FRAUDULENT OR FICTITIOUS CLAIMS, AND FOR OTHER PURPOSES".

Senate Bill No. 776, introduced by Senator Revilla, *entitled:*

"AN ACT

TO STRENGTHEN THE SPECIAL PROGRAM FOR EMPLOYMENT OF STUDENTS BY AMENDING CERTAIN PROVISIONS OF REPUBLIC ACT NO. 7323."

Senate Bill No. 917, introduced by Senator Angara, *entitled:*

"AN ACT

EXPANDING AND STRENGTHENING THE COVERAGE OF R. A. 7323, OTHERWISE KNOWN AS THE SPECIAL PROGRAM FOR EMPLOYMENT OF STUDENTS."

Senate Bill No. 923, introduced by Senator Legarda, *entitled:*

"AN ACT

MAKING R. A. 7323 MORE EFFECTIVE AND RELEVANT TO PRESENT AND FUTURE CONDITIONS BY EXPANDING ITS COVERAGE IN TERMS OF EMPLOYER PARTICIPATION, ADJUSTING THE INCOME CLASSIFICATION REQUIREMENT THEREIN, PROVIDING AUTOMATIC NON-DIMINUTION CLAUSES ON ITS BUDGETARY ALLOCATION AND PROVIDING PENALTIES FOR THOSE WHO DISHONOR THE EDUCATIONAL VOUCHERS, AMENDING FOR THESE PURPOSE R. A. 7323 ENTITLED "AN ACT TO HELP POOR BUT DESERVING STUDENTS PURSUE THEIR EDUCATION BY ENCOURAGING THEIR EMPLOYMENT DURING SUMMER AND/OR CHRISTMAS VACATIONS, THROUGH INCENTIVES GRANTED TO EMPLOYERS, ALLOWING THEM TO PAY ONLY SIXTY PER CENTUM OF THEIR SALARIES OR WAGES AND THE FORTY PER CENTUM THROUGH EDUCATIONAL VOUCHERS TO BE PAID BY THE GOVERNMENT PROHIBITING AND PENALIZING THE FILING OF FRAUDULENT CLAIMS, AND FOR OTHER PURPOSES".
and

Senate Bill No.1621, introduced by Senator Lapid, *entitled:*

"AN ACT

AMENDING SECTIONS 1 AND 4 OF REPUBLIC ACT NO. 7323 AND FOR OTHER PURPOSES".

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

2116

"AN ACT

STRENGTHENING AND EXPANDING THE COVERAGE OF THE SPECIAL PROGRAM FOR EMPLOYMENT OF STUDENTS, AMENDING FOR THE PURPOSE PROVISIONS OF R. A. 7323, OTHERWISE KNOWN AS THE SPECIAL PROGRAM FOR EMPLOYMENT OF STUDENTS".

with Senators Ejercito Estrada, Revilla, Angara, Legarda Lapid and Enrile as authors thereof.

Respectfully submitted:


JINGGOY EJERCITO ESTRADA
President Pro-Tempore
Chairperson

Committee on Labor Employment and Human Resources Development
Ex Officio Member, Committee on Finance


JUAN PONCE ENRILE
Chairperson
Committee on Finance

*with interpellations
and amendments,*


EDGARDO J. ANGARA
Vice-Chairperson
Committee on Finance

*Subject to
amendments*

LOREN B. LEGARDA
Vice-Chairperson
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Member, Committee on Finance

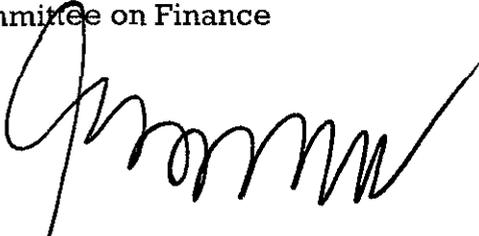
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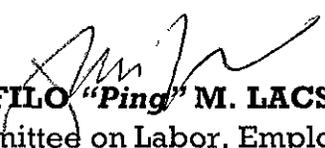

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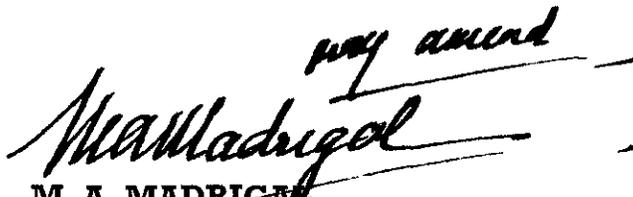
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FOURTEENTH CONGRESS OF THE REPUBLIC)
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SENATE

S.B. No. 2116

*Prepared by the Committee on Labor, Employment and Human Resources
Development jointly with the Committee on Finance in substitution of S. B.
Nos. 6, 776, 917, 923 and 1621*

**“AN ACT
STRENGTHENING AND EXPANDING THE COVERAGE OF THE SPECIAL
PROGRAM FOR EMPLOYMENT OF STUDENTS, AMENDING FOR THE
PURPOSE PROVISIONS OF R. A. 7323, OTHERWISE KNOWN AS THE
SPECIAL PROGRAM FOR EMPLOYMENT OF STUDENTS”.**

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

1 **SECTION 1.** Section 1 of R. A. 7323, otherwise known as the “Special
2 Program for Employment of Students (SPES)” is hereby amended to read as
3 follows:

4 SECTION 1. Any provision of law to the contrary notwithstanding,
5 any person or entity employing at least [fifty (50)] **FIFTEEN (15)**
6 persons may during summer and/or Christmas vacations employ poor
7 but deserving students fifteen (15) years of age but not more than
8 twenty-five (25) years old, paying them a salary or wage not lower than
9 the minimum wage **FOR PRIVATE EMPLOYERS AND THE**
10 **APPLICABLE HIRING RATE FOR THE NATIONAL AND LOCAL**
11 **GOVERNMENT AGENCIES: PROVIDED, THAT STUDENTS**
12 **ENROLLED IN THE SECONDARY LEVEL SHALL ONLY BE**
13 **EMPLOYED DURING THE SUMMER AND/OR CHRISTMAS**
14 **VACATIONS; PROVIDED FURTHER, THAT THE STUDENTS**
15 **ENROLLED IN THE TERTIARY, VOCATIONAL OR**

1 **TECHNOLOGICAL EDUCATION MAY BE EMPLOYED AT ANY**
2 **TIME OF THE YEAR; PROVIDED FINALLY, THAT STUDENTS**
3 **EMPLOYED IN ACTIVITIES RELATED TO THEIR COURSE SHALL**
4 **EARN EQUIVALENT ACADEMIC CREDITS AS MAY BE**
5 **DETERMINED BY APPROPRIATE GOVERNMENT AGENCIES**
6 [provided by law and other applicable labor rules and regulations].

7 For purposes of this Act, poor but deserving students refer to
8 those whose parents combined incomes, together with their income, if
9 any, do not exceed [Thirty-six thousand pesos (P36, 000.00) per
10 annum] **THE ANNUAL APPLICABLE REGIONAL POVERTY**
11 **THERSHOLD LINE FOR A FAMILY OF SIX FOR THE PRECEDING**
12 **YEAR AS MAY BE DETERMINED BY THE NATIONAL ECONOMIC**
13 **DEVELOPMENT AUTHORITY (NEDA). Employment [should be at the**
14 **Labor Exchange Center of the Department of Labor and Employment**
15 **(DOLE)] FACILITATION SERVICES FOR APPLICANTS TO THE**
16 **PROGRAM SHALL BE DONE BY THE PUBLIC EMPLOYMENT**
17 **SERVICE OFFICE (PESO).**

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

19 SEC. 3. The Secretary of Labor and Employment, the Secretary of
20 Education [Culture and Sports], **THE CHAIRMAN OF THE**
21 **COMMISSION ON HIGHER EDUCATION** and the Secretary of
22 Finance shall issue the corresponding rules and regulations to carry out
23 the purposes of this Act.

24 The Secretary of Labor and Employment shall be the Project Director of
25 this program.

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

27 Section 4. Any person or entity who **REFUSES OR DISHONORS AN**
28 **EDUCATIONAL VOUCHER, OR** makes any fraudulent or fictitious claim

1 under this Act, regardless of whether payment has been made, shall upon
2 conviction be punished with imprisonment of not less than six (6) months and
3 not more than one (1) year and a fine of not less than Ten thousand pesos
4 (P10,000.00), without prejudice to their prosecution and punishment for any
5 other offense punishable under the Revised Penal Code or any other penal
6 statute.

7 In case of partnership or corporations, the managing partner, general
8 manager, or chief executive officer, as the case may be, shall be criminally
9 liable.

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

11 Section 5. The amount necessary to carry out the purposes of this Act is
12 hereby authorized to be appropriated in the General Appropriations Act for
13 1992 and the subsequent annual General Appropriations Act; **PROVIDED,**
14 **THAT THE APPROPRIATION, FOR THE PURPOSES OF THIS ACT, SHALL**
15 **NOT BE REDUCED BY CONGRESS BELOW THE AMOUNT**
16 **APPROPRIATED FOR THE PREVIOUS YEAR AND, AFTER APPROVAL,**
17 **SHALL BE AUTOMATICALLY AND REGULARLY RELEASED; PROVIDED**
18 **FURTHER, THAT THE APPROPRIATION HEREIN SHALL BE INCREASED**
19 **BY AT LEAST TWENTY (20%) PER CENTUM ANNUALLY”.**

20 **SEC. 5. Separability Clause.** – If any provision of this Act or an
21 application thereof to any person or circumstance is held to be invalid, the
22 other provisions of this Act, and the application of such provision to other
23 person or circumstances, shall not be affected thereby.

24 **SEC. 6. Repealing Clause-** All existing laws, orders, rules and
25 regulations or part thereof deemed inconsistent with the provision of this Act
26 are hereby repealed or modified accordingly.

1 **SEC. 7. Effectivity-** This Act shall take effect after its publication in the
2 Official Gazette or in at least two (2) national newspapers of general
3 circulation.

4 Approved