

Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City, Metro Manila

13th Congress
First Regular Session

HOUSE BILL NO. 378

Introduced by Representative Roseller L. Barinaga

EXPLANATORY NOTE

Education remains to be the best instrument for human liberation and development. Section 1, Article XIV of the 1987 Constitution mandates that steps be taken to make education accessible to all. With this, the Special Program for Employment of Students (SPES) has been institutionalized under R.A. No. 7323, otherwise known as the "Poor but Deserving Students Employment Act", to help poor but deserving students support their education. Its main objectives are on-the-job training, value formation and the provision of education subsidy to cover tuition and related expenses.

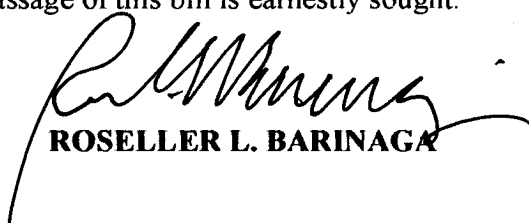
Now on its eleventh year of implementation, with a budget of PhP 60 million when it was first introduced in 1993, the SPES has benefited as many as 48,121 students nationwide. Records show the increase of SPES placements every year, an indication that the program has been an effective tool for students yearning to continue their pursuit of education.

Because of its inspiring success and innovative approach of encouraging the private sector employers to share in the cost of financing education, the SPES has become a continuing program of the government for poor but deserving students. However, if the program is not perfect and would need to be improved to make it more effective, efficient and more responsive to the needs of its beneficiaries, given the changing economic realities.

Thus, to strengthen the SPES, this bill proposes to accomplish the following:

1. Adjust the income requirement for coverage under the law;
2. Provide a non-diminution and automatic increase for its budgetary allocation;
3. Penalize those who will dishonor the education vouchers;
4. Lessen the coverage of employment size of establishments; and
5. Make the program a year-round activity.

In view of the above premises, support for the passage of this bill is earnestly sought.


ROSELLER L. BARINAGA

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AN ACT
STRENGTHENING FURTHER AND BROADENING THE COVERAGE OF THE
SPECIAL PROGRAM FOR EMPLOYMENT OF STUDENTS, AMENDING FOR
THE PURPOSE CERTAIN PROVISIONS OF REPUBLIC ACT NO. 7323, AND
FOR OTHER PURPOSES

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

1 **SECTION 1.** Section 1 of Republic Act No. 7323, otherwise known as the
2 “Special Program for Employment of Students (SPES),” is hereby amended to read as
3 follows:

4 “SECTION 1. Any provision of the law to the contrary notwithstanding,
5 any person or entity employing [at least fifty (50%)] **MORE THAN TEN**
6 **(10)** persons may [during the Summer and/or Christmas vacations,]
7 employ poor but deserving students, fifteen (15) years of age but not more
8 than twenty-five (25) years old, paying them a salary wage not lower than
9 the minimum wage **FOR PRIVATE EMPLOYERS AND THE**
10 **APPLICABLE HIRING RATE FOR THE NATIONAL AND**

1 LOCAL GOVERNMENT AGENCIES: *PROVIDED, HOWEVER,*
2 THAT THEIR EMPLOYMENT SHALL NOT EXCEED THREE (3)
3 MONTHS: *PROVIDED, FURTHER, THAT STUDENTS*
4 EMPLOYED IN ACTIVITIES RELATED TO THEIR COURSE
5 SHALL EARN EQUIVALENT ACADEMIC CREDITS AS MAY BE
6 DETERMINED BY APPROPRIATE GOVERNMENT AGENCIES
7 [provided by law and other applicable labor laws and regulations].

8 "For purposes of this Act, poor but deserving students refer to those whose
9 parents' combined income[s], together with their [income] OWN, if any,
10 do not exceed [Thirty-six thousand pesos (P36,000.00) per annum] THE
11 ANNUAL NATIONAL POVERTY THRESHOLD LEVEL FOR A
12 FAMILY OF SIX (6) FOR THE PRECEDING YEAR AS MAY BE
13 DETERMINED BY THE NATIONAL STATISTICS
14 COORDINATION BOARD (NSCB). Employment [should be at the
15 Labor Exchange Center of the Department of Labor and Employment
16 (DOLE)] FACILITATION SERVICES FOR APPLICANTS TO THE
17 PROGRAM SHALL BE DONE BY THE PUBLIC EMPLOYMENT
18 SERVICE OFFICE (PESO)."

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

20 "SEC. 2. Sixty *per centum* (60%) of said salary or wage shall be paid by
21 the employer in cash and forty *per centum* (40%) by the government in the
22 form of a voucher which shall be applicable in the payment for his tuition
23 fees and books in any educational institution for secondary, tertiary,
24 vocational or technological education. The amount of the educationAL

1 voucher shall be paid by the government to the educational institution
2 concerned within thirty (30) days from its presentation to the officer or
3 agency designated by the Secretary of Finance.

4 "The voucher shall not be transferable except when the payee thereof dies
5 or for a justifiable cause stops in his duties, in which case it can be
6 transferred to his brothers or sisters. If there be none, the amount thereof
7 shall be paid his heirs or to the payee himself, as the case may be."

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

9 "SEC. 3. The Secretary of Labor and Employment, the Secretary of
10 Education [, Culture and Sports,] **THE CHAIRMAN OF THE**
11 **COMMISSION ON HIGHER EDUCATION** and the Secretary of
12 Finance shall issue the corresponding rules and regulations to carry out the
13 purposes of this Act.

14 "The Secretary of Labor and Employment shall be the [Project Director of
15 this] Program Chairman."

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

17 "SEC. 4. Any person or entity who shall make any fraudulent or fictitious
18 claim under this Act, regardless of whether payment has been made, **AND**
19 **ANY PERSON OR ENTITY WHO REFUSES TO HONOR AN**
20 **EDUCATION VOUCHER**, shall, upon conviction, be punished with
21 imprisonment of not less than six (6) months and not more than one (1)
22 year and a fine of not less than Ten thousand pesos (P10,000.00), without
23 prejudice to their prosecution and punishment for any other offense
24 punishable under the Revised Penal Code or any other penal statute.

1 "In case of partnerships or corporations, the managing partner, general
2 manager, or chief executive officer, as the case may be, shall be criminally
3 liable."

4 **SEC. 5.** If any provision or part of this Act, or the application thereof to any
5 person or circumstance is held invalid or unconstitutional, the remainder of this Act or
6 the application of such provision or part thereof to other persons or circumstances shall
7 not be affected thereby.

8 **SEC. 6.** All laws, orders, issuances, rules and regulations or part thereof
9 inconsistent with the provisions of this Act are hereby repealed, amended, or modified
10 accordingly.

11 **SEC. 7.** This Act shall take effect fifteen (15) days after its publication in the
12 *Official Gazette* or in at least two (2) newspapers of national circulation.

Approved,