

Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City

FIFTEENTH CONGRESS
First Regular Session

H. B. No. 490

Introduced by HONORABLE JUAN EDGARDO "SONNY" M. ANGARA

EXPLANATORY NOTE

When it comes to investing, or even financial planning in general, people want to be told exactly what to do. We ask where to invest our money and how much, which bank to approach for advice, which stock to buy and which book to read. Unfortunately, our school system does not teach our students and youth about money and personal finance. This is why most Filipinos grow up without knowledge on how to handle their money and other resources. In fact, our educational system does not teach our citizens how to become financially independent and gain financial freedom. Our schools teach our students about numerous subjects but they don't teach them how to handle their own money wisely. Financial literacy is a must in today's world if Filipinos would really want to have financial freedom.

This measure encourages the development of financial literacy programs in educational institutions and the private sector. It aims to equip Filipinos with the knowledge to properly manage their finances and make informed financial decisions. It seeks to raise the levels of financial literacy in Filipinos should encourage them to seek information about their financial options.

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


JUAN EDGARDO "SONNY" M. ANGARA
Representative
Lone District, Province of Aurora

Introduced by Honorable JUAN EDGARDO "SONNY" M. ANGARA

AN ACT
TO DEVELOP FINANCIAL LITERACY EDUCATION

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

SECTION 1. *Short Title.* - This Act shall be known as the "***Financial Literacy Act of 2010.***"

SEC.2. *Definition.* -The purpose of this Act the term –

A. "Eligible entity" means-

1. an institution of higher education; or
2. a partnership consisting of--
 - a. an institution of higher education; and
 - b. a nonprofit organization with experience and a proven track record in quality financial literacy or personal finance education programs.

B. "Department" means the Department of Education

C. "Secretary" means the Secretary of Education

SECTION 3. *Grant.* - The Secretary shall award grants, on a competitive basis, to eligible entities to enable such entities to provide financial literacy courses or course components to students.

SEC 4. *Application.* - An eligible entity that desires to receive a grant under this section shall submit an application to the Secretary at such time, in such manner, and accompanied by itemized budget and such other information as the Secretary may require.

SEC.5. *Maximum Amount.* The amount of the grant shall not exceed one million pesos per grantee.

SEC. 6. *Use of Funds.* An eligible entity that receives a grant under this section shall use the grant funds to develop and implement financial literacy education, activities, student

organizations, or counseling that increase student knowledge in consumer, economic, and personal financial concepts.

SEC. 7. *Evaluation.* The Department shall provide for rules on periodic evaluation of the performance of the grantees under this Act. The Department may provide for rules that shall allow them to revoke grants at different stages of the implementation of each project based on the result of the evaluation.

SEC. 8. *Term.* The term of this project shall be ten years,

SEC. 9. *Report.* At the end of the second year after the implementation of this Act and every year thereafter, the Department shall provide the appropriate committees in the Senate and the House of Representatives a status report on the grantees.

SEC. 10. *Appropriations.* The amount necessary for the initial implementation of this Act shall be charged against the appropriations of the Department of Education under the current General Appropriations Act. Thereafter, such sum as may be necessary for its full implementation shall be included in the annual General Appropriations Act as a distinct and separate item.

SEC. 11. *Separability Clause.* If any provision or part hereof, is held invalid or unconstitutional, the remainder of the law or the provision not otherwise affected shall remain valid and subsisting.

SEC. 12. *Repealing Clause.* Any law, presidential decree or issuance, executive order, letter of instruction, administrative order, rule or regulation contrary to or is inconsistent with the provision of this Act is hereby repealed, modified, or amended accordingly.

SEC. 13. *Effectivity Clause.* This Act shall take effect fifteen (15) days after its publication in at least two (2) newspapers of general circulation.

Approved,