

Republic of the Philippines  
HOUSE OF REPRESENTATIVES  
Quezon City

FIFTEENTH CONGRESS  
First Regular Session

H. B. No. 499

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Introduced by HONORABLE JUAN EDGARDO "SONNY" M. ANGARA

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**EXPLANATORY NOTE**

To be able to bring out the best in students, it is my humble opinion that only the best teachers will be able to bring them out. This legislation that is being sought to be passed does not seek to provide for the best teachers to teach in educational institutions, it seeks to provide for the most passionate teachers to teach, and so, insures that it will bring out the best in the students accordingly.

Passion can be said to be an existing trait in these former students because, knowing that the students they are teaching came from the very situation that they were once in, their passion to teach will be unmatched, as it will be incumbent upon them to make sure that the maximum learning and knowledge shall be inculcated upon these individuals.

If passion and learning coincide, the only benefit it will bring are good benefits that will inure to our countrymen in general, and the students in particular.

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

H. B. No. 499

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Introduced by Honorable JUAN EDGARDO "SONNY" M. ANGARA

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**AN ACT**  
**PROVIDING FOR TEACHING SERVICE AS PAYMENT FOR EDUCATIONAL LOANS**  
**DRAWN FROM PUBLIC FUNDS, INCLUDING TUITION SUBSIDIES FOR STUDENTS OF**  
**STATE UNIVERSITIES AND COLLEGES**

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

**SECTION 1. Title.** - This Act shall be known as the "***Service to Pay Act***".

**SEC. 2. Declaration of Policy.** - It is the policy of the State to promote and make quality education accessible to all Filipino citizens. Further, it is the policy of the State to inculcate in the youth patriotism and nationalism, and encourage their involvement in public and civic affairs. Towards this end, the State shall provide mechanism to ensure that civic-mindedness and service orientation shall be inculcated in the youth, and at the same time, ensure that education will retain the best and the brightest pool of talents.

**SEC. 3. Service to Pay.** -

- a) Covered students as defined by the succeeding subsection shall be required to render service by teaching primary and secondary students in areas identified by the Department of Education.
- b) For the purposes of this Act, "covered students" shall mean all recipients of government educational assistance as enumerated in Section 4 of Republic Act 6728 as amended.

**SEC. 4. Length of Service.** - Covered students shall render teaching service equivalent to one-half (1/2) of the total years of their actual employment in post-secondary programs.

**SEC. 5. Assignments.** -

- a) The Secretary of Education shall determine areas where covered students shall be deployed. The determination shall include the actual number of teachers needed and the subject-competencies required. The Secretary of Education may establish other parameters for such determination.
- b) The Secretary of Education shall furnish the Student Loan Fund Authority of the determined areas. The Student Loan Fund Authority shall then assign covered students

to determined areas, taking into consideration the student's health, the physical location of the area, and such other considerations.

- c) Upon assignment, covered students shall be (1) under the administrative

**SEC. 6. Student Loan Fund Authority.** - In addition to its existing powers and duties under Republic Acts no. 6014 and 6728 as amended, the Student Loan Fund Authority shall have the following powers and duties:

- (a) Draw up a contract with the student-debtor as a requisite before he or she can access funds from the Students' Loan Fund. The contract shall include a service clause obliging the student-debtor to render service as a form of loan payment.
- (b) Order the issuance of the student's final clearance to the College Registrar concerned upon compliance of the student with the provisions of this Act.

**SEC. 7. Compliance.** Covered students shall be required to comply with the provisions of this Act before the issuance of his or her transcript of records. The Regional Offices of the Department of Education shall monitor compliance of covered students within their jurisdiction.

The concerned Regional Director of the Department of Education shall certify to the Student Loan Fund Authority that covered students have complied with the provisions of this Act.

**SEC. 8. Compensation.** Covered students shall receive salaries, benefits, emoluments, and other compensation pursuant to existing laws.

**SEC. 9. Appropriation.** The initial sum of Five Hundred Million Pesos (PHP500,000,000) shall be allocated to implement the provisions of this Act, to be charged equally against current appropriations for the President's Social Fund, and the total gross earnings of the Philippine Amusements and Gaming Corporation (PAGCOR). If the amount shall not be enough, the remaining balance shall be charged against unappropriated earnings from the implementation of Section 4 of Republic Act 9337, further amending the National Internal Revenue Code of 1997 as amended.

Subsequent appropriations necessary to carry out this Act shall be charged against the following sources:

- (a) Twenty per centum (20%) of revenues earned from the proceeds of lease, privatization, and/ or disposal of assets and/or sequestered by the National Government and government-owned and controlled corporations, including shares of stocks of corporations where the Government owns interests;

- (b) Twenty-five per centum (25%) of revenues earned from the collection under Section 4 of Republic Act 9337, further amending the National Internal Revenue Code of 1997 as amended; and
- (c) Twenty-five per centum (25%) to be charged against the current appropriations for the President's Social Fund,
- (d) Thirty per centum (30%) of total gross earnings of the Philippine Amusements and Gaming Corporation (PAGCOR).

**SEC. 10. *Separability Clause.*** If any provision of this Act is declared unconstitutional, the same shall not affect the validity and effectivity of the other provisions not affected thereby.

**SEC. 11. *Repealing Clause.*** Section 10(c) of Republic Act 6728 as amended is hereby modified. All laws, decrees, rules and regulations, and other issuances inconsistent with the provisions of this Act are hereby repealed or modified accordingly.

**SEC. 12. *Effectivity.*** This Act shall take effect immediately upon publication: Provided, That service clause provisions shall be included in educational loan applications and enrolment forms of covered students in the academic year following the effectivity of this Act.

Approved,