

Republic of the Philippines
HOUSE OF REPRESENTATIVES
Batasang Pambansa, Quezon City



FIFTEENTH CONGRESS
Third Regular Session

HOUSE BILL NO. 6465

INTRODUCED BY REP. JOSEPH VICTOR G. EJERCITO

EXPLANATORY NOTE

Education serves as the foundation for sustained economic growth. For young people who have it stand to reap enormous benefits and success while those who do not are very likely destined to a life of hardship, trials and want.

As more and more young people waste away in the slums, streets and sweatshops, the country suffers from an intellectual and moral drain. The lack of educational opportunity for young people is truly one of the worst tragedies that we witness.

In a study conducted on Philippine education, it was concluded that of the one (100) pupils who entered basic education, only eight (8) to ten (10) will possibly get college education. This is indeed an upsetting situation.

The 1987 Philippine Constitution mandated the State to ensure that education must be accessible to all. Under Article XIV, Section 5 (5) of the Constitution, it further provides that "the State shall assign the highest budgetary priority to education and ensure that teaching will attract and retain its rightful share of the best available talents through adequate remuneration and other means of job satisfaction and fulfillment".

However, since the Arroyo administration, there is a downward trend in terms of State subsidy to public tertiary education. This experience prompted the SCU heads to beg from the kind benevolence of lawmakers who have the heart for education and even using fund-raising schemes courtesy of their faculty, alumni and student bodies just to stay afloat – year after year.

The passage of this bill is earnestly sought with the intention of helping support State Universities and Colleges (SUCs) and the funding assistance shall be sources from the earnings of the state-run Philippine Amusement and Gaming Corporation (PAGCOR). Accordingly, ten percent of the corporation's gross income shall be set aside for the support of the SUCs.

A handwritten signature in black ink, appearing to read 'J. Ejercito', with a stylized flourish at the end.

REP. JOSEPH VICTOR G. EJERCITO

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**AN ACT FURTHER AMENDING SECTION 12 OF PRESIDENTIAL
DECREE 1869 AS AMENDED AND ALLOCATING A PORTION OF THE
FUNDS GENERATED BY THE PHILIPPINE AMUSEMENT AND GAMING
CORPORATION TO STATE RUN UNIVERSITIES AND COLLEGES AS
FINANCIAL EDUCATIONAL SUPPORT**

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

SECTION 1. Section Twelve (12) of Presidential Decree 1869 is hereby amended to read as follows:

Section 12. *Special Condition of Franchise.* – After deducting five (5%) percent as Franchise Tax, the fifty percent (50%) share of the government in the aggregate gross earnings of the Corporation from this Franchise, or sixty percent (60%) if the aggregate gross earnings be less than P 150,000,000, shall immediately be set aside and shall accrue to the General Fund to finance the priority infrastructure development projects and to finance the restoration of damaged or destroyed facilities due to calamities, as may be directed or authorized by the Office of the President of the Philippines.

Ten percent (10%) of the Corporation's gross income shall be set aside for the support of State run Universities and Colleges, which must be released directly in full from the Philippine Amusement and Gaming Corporation (PAGCOR) to State Universities and Colleges (SUCs). Earnings of the Corporation from the previous year must be released at least one month before every opening of the school year, to be divided equally among all State run Universities and Colleges in the Philippines.

SECTION 2. *Repealing Clause.* – All laws, decrees, executive orders, administrative orders, rules or regulations inconsistent herewith are hereby repealed, amended or modified accordingly.

SECTION 3. *Effectivity Clause.* – This Act shall take effect fifteen (15) days after its publication in a newspaper of general circulation.

Approved.