

Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City

SIXTEENTH CONGRESS

First Regular Session

House Bill No. 481



Introduced by **Hon. Rodolfo G. Biazon**

EXPLANATORY NOTE

One of the greatest paradoxes of our age is that physical assets have ceased to be the main sources of wealth. In its place, human creativity has become the source of economic growth, impelling leaps and bounds in technology and economic productivity.

Human brainpower will be the strongest motive force behind Philippine economic development in the third millennium. In order to harness the country's intellectual resources, we need to put in place measures that will put an end to the brain drain and the migration of our brightest talents, and the non-development of potentials due to poverty.

This bill seeks to harness and optimize our country's intellectual resources through the establishment of the "*Pensionado Program*." This program shall pool together all foreign and local public and private sponsorship intended for further education, enrichment and training of exceptionally able and highly motivated Filipinos employed in both the government and private sectors. The program will align sponsorships among priority areas identified to be critical to Philippine economic development, and provide incentives for the beneficiaries to put the skills and education acquired under training to the service of the Filipino nation.

All parents know that education is the most important investment for the future, and the most valuable legacy to bequeath to one's children. We should therefore provide for measures to manage our country's investments in higher education, and to ensure that they be put to productive use for the welfare of the entire nation.

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


RODOLFO G. BIAZON
Representative
Lone District, Muntinlupa City

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AN ACT
CREATING AN ADVANCED STUDIES DEVELOPMENT PROGRAM FOR
EXCEPTIONAL EMPLOYEES FROM THE GOVERNMENT AND PRIVATE
SECTOR AND FOR OTHER PURPOSES

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

SECTION 1. *Short Title.* – This bill shall be known as "The Pensionado Act of 2010."

Sec. 2. *Declaration of Policies.* – Human resources development is essential for economic development and progress. In pursuit of economic development and progress, the State shall give priority to the creation of a critical mass of elite professionals who shall take the lead in harnessing science, technology and related disciplines towards accelerating the productivity of the country's human resources.

Consonant with this thrust, it is hereby declared a policy of the State to devise a program for exceptionally able and highly motivated employees, preferably aged 30 - 45, from the government, the private sector and/or the self-employed to undertake advanced studies in a branch of science, technology, or related fields of learning on which depends the development and progress of the country. As such, it shall provide for fellowships to enable them to pursue advanced studies to research in their field of expertise.

The State shall develop a critical mass of first-rate specialists in various disciplines and areas of specialization vital to national development. They shall form a collective national "think tank" that shall continuously place their knowledge and skills at the service of the nation, be it in industry, the academe or the highest policy-making levels of the government, with the government taking the lead in harnessing their knowledge and skills for the greatest good of the country.

Sec. 3. *Definition of Terms.* – For purposes of this Act, the following terms are hereunder defined accordingly:

- a) *Post-graduate* – a formal degree course program or program of training/research requiring at least a Master’s Degree for entry; a student pursuing such program;
- b) *Advanced studies* – a post-graduate problem-oriented program of studies and/or research, not necessarily leading to a degree, undertaken for further specialization or advanced knowledge in a specific field of study, or to acquire specialized knowledge and/or skills in a particular area of science or technology;
- c) *Pensionado* – a Filipino citizen selected and supported by the Philippine government under this Program to undertake advanced studies in selected institutions of higher learning or recognized research centers, in fields relevant to the officially declared priority areas for development.

Sec. 4. *Establishment of a Pensionado Program.* – There shall be established under the Commission on Higher Education (CHED), in coordination with non-government organizations (NGOs), the private sector and other government agencies, namely the National Economic and Development Authority (NEDA), the Department of Trade and Industry (DTI), the Department of Science and Technology (DOST), and the Department of Education (DepEd) fellowship program to be called as the *Pensionado Program*, hereinafter referred to as the Program for Filipinos employed in the government and the private sectors and those who are self-employed.

The Program shall pool together all fellowships, scholarships, training grants sponsored or extended by foreign governments, agencies and other bodies, as well as by local agencies and organizations, whether public or private, intended for advanced studies in international centers of advanced learning, or scholarship and research.

Sec. 5. *Establishment of National Secretariat: Functions and Composition.* – There shall be established a National Secretariat, hereafter referred to as the Secretariat, with the following functions:

- a. To identify and assist in negotiations with sponsors (foreign and local, public and private) of fellowships, scholarships and grants;
- b. To provide assistance to the Selection Panel in accomplishing its work;
- c. To provide the Pensionados continuing assistance from the time of selection to the time of their return to the country, including assistance for the productive utilization of their newly gained expertise;
- d. To serve as the administrative arm of the government for the Program; and
- e. To promulgate and implement the policies and guidelines governing the Program.

The National Secretariat shall be headed by an Executive Officer, with the rank of Assistant Secretary, to be appointed by the President of the Republic of the Philippines upon the recommendation of the CHED. Members of the Secretariat shall consist of representatives from the NEDA, DTI, DOST and the CHED. These representatives shall be seconded to the Secretariat for a period of one year, subject to renewal every year. Service rendered thereat

shall be considered as service in their prospective agencies and shall also be considered as part of their performance for promotions purposes.

Sec. 6. *Number of Pensionados and Length of Grant.* – There shall be selected twenty-four (24) fellows annually - three (3) fellows for each priority discipline/industry/field of the eight vital disciplines or areas of specialization identified by the CHED in consultation with the NEDA as frontiers or new areas essential for pushing the economic and social development thrusts of the country.

Sec. 7. *Selection Process.* – There shall be a Selection Panel, hereafter referred to as the Panel, under the Secretariat consisting of three (3) university presidents and two (2) eminent members from the academe to be appointed by the CHED. They shall serve, on a staggered basis for purposes of continuity and consistency, each for a term of three (3) years.

The Panel shall make the final selection of the Pensionados from among the nominees from the academe, industry and research centers. The integrity and objectives of the Program are paramount considerations for the Panel in making the selection.

Sec. 8. *Qualifications.* – In order to qualify for the Program, the applicant must be:

- a. A Filipino citizen;
- b. Gainfully employed;
- c. A college degree graduate, with honors;
- d. With demonstrated leadership and proven exceptional performance in his/her present work;
- e. Enthusiastic in undergoing further training; and
- f. Willing to sign a contract requiring him/her to return to his job or in another capacity in another government agency or institution, after the scholarship.

Sec. 9. *Place of Study.* – The Pensionados shall be sent to a foreign country well-known for its advanced stage in a particular discipline or area of specialization. Training and education may be in an academic institution, research and development center (R&D) or a major industrial establishment with an R&D program. It may or may not lead to an advanced degree.

Sec. 10. *Assistance to Grantees.* – The Pensionado is entitled to the following benefits:

- a. Leave with pay, for the duration of the scholarship including allowances and other benefits;
- b. One economy round trip airfare to and from the host country plus other travel expenses required for foreign travel;
- c. Clothing allowance to be determined by the Secretariat;

- d. Monthly stipend while on study abroad, of such amount to be determined by the Secretariat;
- e. Books, Instructional Materials/Research allowance of such amount to be determined by the Secretariat; and
- f. Health, travel and insurance fees of such amount to be determined by the Secretariat.

Sec. 11. *Program Funding.* – The cost of each fellowship grant shall be shared by the Pensionado's employer and the National Government. The employer pays the salary, allowances and other benefits due the Fellow as employed during the duration of advanced studies overseas while the government, thru the Program, shall be responsible for items letter b, c, d, e and f as enumerated in Section 10 hereof.

With the transfer of all pertinent foreign and local sponsored grants for coordination under the Program, the Government, thru the Program may negotiate bilateral arrangements with host governments, host universities, host research institutions and host corporations to share at least 50% of the total cost of items Letter b, c, d, e and f under Section 10 hereof.

The National Government may also negotiate bilateral agreements with host governments, host universities, research institutions and corporations to enable our scholars to stay abroad and continue their studies or training at a minimal cost to the National Government. A sharing program can be established where the host government, host universities, research institutions and corporations can pick up a part of the expenses of the scholars while he is abroad.

Sec. 12. *Service Obligation.* – Immediately upon completion of the studies or training, a Fellow shall be required to return to his job or in another capacity in another government agency or institution approved by the Secretariat and serve on a full-time basis for a minimum period equivalent to twice the period covered by the fellowship grant. In addition, the scholar shall be required to hold seminars or training sessions for employees from the government and the private sectors on topics related to the course or training he has completed.

Any recipient of the Program who has not completed his course shall reimburse the Fellowship the grant received or render service to the sponsoring agency or company for a period equivalent to the period covered by the fellowship grant.

Any *Pensionado* who violates the service obligation imposed under this Section shall reimburse the sponsoring agency or company and the National Government of the fund assistance received under this Act in full or in part as the case may be.

Sec. 13. *Mechanism for Utilization of Returned Fellows.* – There shall be established and developed a National Network of Specialized Institutes for Advanced Studies in universities selected by the CHED in consultation with the DOST and other appropriate agencies to be determined by the Secretariat to provide returned scholars an office, laboratory, library and conference facilities for their continuing scholarly work, research development and training activities. The Institute shall also serve as a place for an Exchange

Program and Collaborative Research among local and international scientists and scholars in priority areas of research and development.

The government may, thru the CHED and/or the National Secretariat, negotiate bilateral agreements with foreign governments, universities, research institutions and corporations, public and private, to effect exchange of scholars and scientists for collaborative advanced studies, as well as to equip the Institute for purposes of benefit to the cause of scholarly or scientific advancement and national development.

A sharing program may be established whereby the host can shoulder part of the expenses of the Fellow in pursuit of his/her advanced studies.

Sec. 14. *Appropriations.* – The amount necessary to carry out the initial implementation if this Act shall be drawn from the savings of the National Government. Thereafter, the funds necessary for the continuous implementation of the Program shall be included in the General Appropriations Act.

The Program shall receive two-tenth percent (0.2%) from the share of the DOST and one percent (1%) from the share of the Philippine Youth Commission in the Bases Conversion Development Authority (BCDA) proceeds.

Sec. 15. *Transfer of Fellowships, Scholarship and Training Grants.* – All foreign and locally sponsored fellowships, scholarships and training grants will be transferred to the Program for coordination. With respect to government employees who may be affected by the transfer, the pertinent rules and regulations of the Civil Service Commission (CSC) shall apply.

Sec. 16. *Rules and Regulations.* – Within ninety (90) days from the approval of this Act, the Secretariat shall promulgate the necessary rules and regulations for the effective implementation of the provisions thereof.

Sec. 17. *Repealing Clause.* – All laws, decrees, orders, rules and regulations or portions thereof, inconsistent with this Act are hereby repealed or modified accordingly.

Sec. 18. *Separability Clause.* – In the even any of the provisions of this Act is declared unconstitutional, the validity of the other provisions shall not be affected by such declaration.

Sec. 19. *Effectivity Clause.* – This Act shall take effect fifteen (15) days after its publication in the Official Gazette or in at least two (2) national newspapers of general circulation.

Approved,