

Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City

16th Congress
First Regular Session



HOUSE BILL NO. 1364

Introduced by **HON. MA. VICTORIA R. SY-ALVARADO**

EXPLANATORY NOTE

Last April 2013, the latest poverty data and statistics were released by the National Statistical Coordinating Board. Data showed that poverty incidence for the 1st quarter of 2013 remained unchanged from the 1st quarter of 2012 figure which is 22.3%. This figure represents the measured poverty incidence or the proportion of people below the poverty line to the total population.

Given the alarming and unchanging number of poor Filipinos, there is a need for the State to ensure that the basic rights of the poor are protected, thus, the filing of this bill. This Representation remains optimistic that with a little more discussion in both Congress and the Senate, a law which aims to protect the rights of the poor by giving them equal access to basic rights and government services.

It is the fervent hope of this Representation that the Magna Carta for the Poor bill be signed into law at the soonest possible time.

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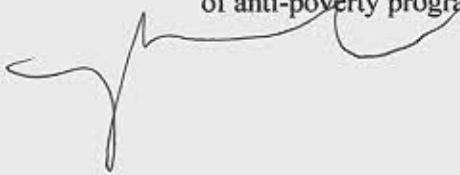
AN ACT PROVIDING FOR A MAGNA CARTA OF THE POOR

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 “Magna Carta of the Poor”.

Section 2. *Declaration of Policy.* – It is the declared policy of the State to uplift the standard of living and quality of life of the poor and provide them with sustained opportunities for growth and development. The alleviation of poverty is likewise a responsibility of government that primarily requires the creation and expansion of employment and livelihood opportunities involving a gradual shift from government subsidy to the eventual empowerment of the poor to meet their minimum basic needs.

In pursuit of this policy, the following guiding principles are hereby adopted:

- (a) Government shall prioritize investments in anti-poverty programs to enable the poor to fully participate in the country's growth and development;
 - (b) All government departments, agencies and instrumentalities shall provide full access to government services for the poor at all levels;
 - (c) Government shall strengthen interventions to address the genuine concerns of the poor for daily survival, and shall institutionalize long-term strategies and solutions for the empowerment of the poor and for the protection of the environment and conservation of natural resources to ensure sustainable development;
 - (d) Government strategies shall enhance and promote the capabilities and competencies of the basic sectors, the nongovernment organization (NGOs) and people's organization (POs) as development partners of the government for the effective delivery and implementation of a wide range of anti-poverty programs and basic services; and
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- (e) Government shall ensure adequate and decent employment and living wage for the basic sector workers.

Section 3. Definition of Terms. – as used in this Act, the following terms are hereby defined:

- (a) *Basic sectors* shall refer to the disadvantaged sectors of the Philippine society including, but not limited to, farmer-peasants, artisanal fisher folk, workers in the formal sector including migrant workers, workers in the informal sector, indigenous peoples and cultural communities, women, differently-abled persons, senior citizens victims of calamities and disasters, youth and students, children and urban poor.
- (b) *Cooperative* shall refer to a duly registered association of at least fifteen (15) persons, the majority of whom are poor, who have a common bond of interest and voluntarily work together to achieve a lawful common social and economic end. It is organized by the members who equitably contribute the required shared capital and accept a fair share of the risks and benefits of their undertaking in accordance with the universally accepted corporate principles and practices.
- (c) *Development partners* shall refer to NGOs, POs and private corporations which are engaged in programs and activities aimed at alleviating the condition of the poor.
- (d) *Hazardous/danger zones* shall refer to areas, which when occupied for residential or business purposes, pose a danger to the life and safety of the occupants or of the general public.
- (e) *Nongovernment organizations (NGOs)* shall refer to duly registered nonstock, nonprofit organizations focused on the upliftment of the basic or disadvantaged sectors of society by providing advocacy, training, community organizing, research, access to resources, protection of the environment and conservation of natural resources, and other similar activities.
- (f) *Peoples's organizations (POs)* shall refer to self-help groups belonging to the basic sectors and/or disadvantaged groups composed of members having a common bond of interest, who voluntarily joint together to achieve a lawful common social or economic end.
- (g) *Poor* shall refer to individuals or families whose income falls below the poverty threshold as defined by the National Economic and Development Authority (NEDA) and/or who cannot afford in a sustained manner to provide their minimum basic needs of food, health, education, housing or other essential amenities of life. Under this Act, the poor shall be identified by the National Anti-Poverty Commission (NAPC), in coordination with the basic sectors, the local government units (LGUs), the NEDA and other government agencies. As such, the NAPC shall be the sole repository of all consolidated data on the poor.

Section 4. Fundamental Rights of the Poor. – The poor shall have the following rights, the enjoyment of which is an essential requirement towards poverty alleviation:

- (a) The right to food;
- (b) The right to employment and livelihood;
- (c) The right to relevant and quality education;
- (d) The right to shelter; and
- (e) The right to basic health services and medicines.

The government shall, as a matter of duty and obligation, provide the requirements, conditions and opportunities for the full enjoyment of these right of the poor. The poor can demand this full enjoyment as a matter of right:

- (1) The Right to Food – The Department of Social Welfare and Development (DSWD) shall expand a program of subsidy to help the poor meet their minimum food necessities. The DSWD shall issue food certificates to the poor to enable them to obtain food items from stores duly accredited by the Department of Trade and Industry (DTI).

To help ensure the implementation of the food subsidy program, all food items and food products, including rice, corn, sugar and other prime commodities, seized and forfeited with finality in favor of the government for violations of customs laws shall be automatically transferred to and/or turned over to the DSWD for proper disposition.

The Department of Agriculture (DA) and the LGUs shall develop a complementary program to food subsidy so that the poor can engage in productive activities that promote food subsidy so that the poor can engage in productive activities that promote food self-sufficiency among the poor.

- (2) The Right to Employment and Livelihood – The Department of Labor and Employment (DOLE), in coordination with development partners especially trade unions, the Presidential Commission for the Urban Poor (PCUP); and the LGUs, shall be responsible for ensuring that the poor shall have access to information regarding employment openings in private enterprises and in government program and projects. The DOLE, through the Public Employment Service (PESO), shall likewise provide displaced families with referral to and information regarding available emergency employment opportunities in the community.

Thirty percent (30%) of the skilled labor requirements of private contractors and subcontractors doing national and local public work projects funded by either the national government or any LGU, must be filled by qualified workers who come from the poor sector and who are residents of the LGUs where these projects are undertaken: *Provided,*

That where the number of available resources is less than the required percentage provided therein, said requirements shall be based on the maximum number of locally available labor resources and shall be certified by the municipal, city, provincial or district engineer as sufficient compliance with the labor requirements under this Act.

Programs that promote livelihood among the poor shall be implemented by the concerned government agencies with the participation of development partners and other juridical entities. These agencies shall provide technical and administrative support to help the poor establish their livelihood enterprise using loans obtained from the same. The government shall provide employment and livelihood opportunities to the poor who are displaced by natural calamities or relocated from hazardous/danger zones.

- (3) The Right Relevant and Quality Education – The right of the poor to free public elementary and secondary education shall not be impaired.

The Department of Education (DepEd), the Commission on Higher Education (CHED) and the Technical Education and Skills Development Authority (TESDA), in coordination with development partners concerned, shall ensure the full enjoyment of the poor of the right to relevant and quality education, including preferential access to science high schools.

The right to education shall include access to quality and relevant education at the college level. The programs of providing socialized college education to the poor, including the student loans or study-now-pay-later plans, shall be expanded in state/local universities and colleges: *Provided*, That the students qualify and maintain good academic standing.

It shall also include the right to free availment of quality technical/vocational education and training to ensure access to decent and productive employment.

- (4) The Right to Shelter – The government shall develop and implement a well-targeted and responsive subsidy scheme that will provide decent housing with the least financial burden. This scheme shall ensure the security of tenure for the poor beneficiaries.

In ensuring the exercise and enjoyment of this right of the poor, the government shall put in place a system consisting of simple requirements and procedures, and expeditious processing and approval.

The LGUs, in coordination with the Housing and Urban Development Coordinating Council (HUDCC) and the National Housing Authority (NHA), shall prioritize the implementation of the socialized housing program. In identified hazardous/danger zones where the housing needs of the poor are urgent, these agencies shall immediately construct and

provide free housing facilities complete with accessible road system at resettlement sites.

- (5) **The Right to Basic Health Services and Medicines** – The LGUs shall ensure and promote the health of the populace, by providing basic and direct health services. They shall develop and implement a system of free delivery of health services and medicines to the poor who permanently reside in their locality. The Department of Health (DOH) shall provide the highly specialized level of health care and technical assistance to LGUs and development partners in effectively implementing programs, projects and services that will promote the health and well-being of every Filipino, especially the poor. Government medical and health insurance programs under existing laws shall increase, expand and liberalize their coverage so as to include socialized basic health services and medicines to the poor. The Philippine Health Insurance Corporation (PhilHealth), in coordination with the LGUs, shall implement an expanded primary care package for the poor.

Section 5. *Other Rights of the Poor.* – All other rights of the poor provided under existing law shall remain in full force and effect. Nothing herein shall be construed in a manner that will diminish the enjoyment of such rights by the poor who shall have the right to avail of other rights offered by existing laws, including those granted under this Act.

Section 6. *Funding Requirements.* – The funding provided for the pro-poor programs and projects of the different departments and agencies, but not limited to those enumerated below, shall be geared towards the implementation of this Act as follows:

- (a) *DSWD* – Pantawid Pamilyang Pilipino Program (4Ps) Self-Employment Assistance-Kaunlaran (SEA-K) and Kapit Bisig Laban sa Kahirapan- Comprehensive and Integrated Delivery of Social Services (KALAHI-CIDSS)
- (b) *DOLE* – Special Program for Employment of Students (SPES) and DOLE Integrated Livelihood Program;
- (c) *TESDA* – Skills training, Private Education Student Financial Assistance (PESFA) and the Training for Work Scholarship Program (TWSP)
- (d) *DepEd* – Alternative Learning System (ALS), Government Assistance to Students and Teachers in Private Education (GASTPE)
- (e) *CHED*- Student Financial Assistance Program (STUFAP)
- (f) *NHA* – Socialized housing program
- (g) *DOH* – Basic health care services including potable water system;

and

- (h) *PhilHealth* – Expanded primary care packages for the poor.

Any deficiency in the existing appropriations of the pro-poor programs in the different departments and agencies shall be included in the

General Appropriations Act of the year following its enactment into law and thereafter.

Section 7. *Private Sector Participation.* – The private sector is highly encouraged to be an active partner for the empowerment of the basic sectors. The government implementing agencies shall be authorized to accept donations, aids or grants, in cash or in kind, from duly accredited sources, to meet the demands of the basic rights to food, employment and livelihood, quality education, shelter, basic health services and medicines. Acceptance and use of such donations aids or grants, shall be transparent and subject to government applicable regulations.

The government shall recognize top performing development partners.

Section 8. *Tax Exemptions.* – Any donation, contribution and grant which may be made to the sponsored program shall be exempt from the donor's tax and the same shall be considered as allowable deduction from the gross income in the computation of the income tax of the donor in accordance with the provisions of the "National Internal Revenue Code of 1997", as amended.

The implementers of the socialized housing resettlement program shall enjoy the incentives stated in Section 20 of Republic Act No. 7279, otherwise known as the "Urban Development and Housing Act of 1992".

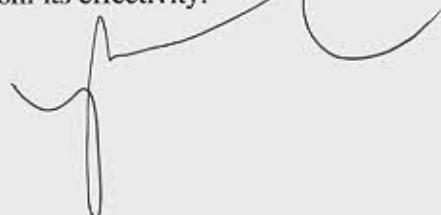
Section 9. *Rational Allocation of Funds.* – The department of Budget and Management (DBM) shall be principally responsible for the efficient and rational allocation of available funding requirements as may be needed by the different government departments and agencies in implementing this Act.

Section 10. *Penalty.* – Any public official or employee who knowingly or negligently permits the violation of any provision of this Act shall be punished with a fine not exceeding the equivalent of six (6) months salary or suspension not exceeding one (1) year or removal from office depending on the gravity of the offense, after due notice and hearing, without prejudice to any other civil or criminal liabilities.

Private contractors and subcontractors who violate Section 4 of this Act shall be prohibited from participating in any future bidding for government-funded public works projects, after due notice and hearing.

Implementing agencies shall terminate the accreditation of development partners, which, after due notice and hearing, have been found to violate any provision of their agreement. Development partners who violate government regulations adverted to in Section 7 of this Act shall be prohibited from participating in any government project, and shall retribute, in favor of government, all unused and unliquidated monies.

Section 11. *Implementing Rules* – The NAPC, in coordination with the government departments and agencies, with participation of the LGUs and the basic sectors, shall promulgate rules and regulations to carry out the provisions of this Act within six (6) months from its effectivity.



Section 12. *Compliance Report* – The NAPC shall be tasked to monitor the compliance with this Act. Within (6) months from the effectivity of this Act and every six (6) months thereafter, all implementing departments and agencies shall submit a report on the compliance with the provisions of this Act to the NAPC, and the latter will report to the House committee on Poverty Alleviation and to the Senate Committee on Social Justice, Welfare and Rural Development.

Section 13. *Separability Clause*. –If, for any reason, any section or provision of this Act is declared unconstitutional or invalid, the other sections or provision hereof which are not affected shall continue to be in full force and effect

Section 14. *Repealing Clause*. – All laws, decrees, executive orders, proclamations, rules and regulations or parts thereof inconsistent herewith are hereby repealed.

Section 15. *Effectivity Clause*. – This Act shall take effect immediately upon its publication in any newspaper of general circulation.

Approved,

A handwritten signature in dark ink, consisting of a stylized 'y' followed by a long horizontal stroke and a large 'u' shape at the end.