

Republic of the Philippines  
HOUSE OF REPRESENTATIVES  
Quezon City

SIXTEENTH CONGRESS  
First Regular Session

House Bill No. 3435



Introduced by Rep. Eulogio "Amang" R. Magsaysay

## EXPLANATORY NOTE

The Special Education Fund (SEF) is derived from the additional one percent (1%) tax on real property by the local government units. The fund was constituted under Republic Act 5447 in 1968 which was amended several times under the provisions of Presidential Decree No. 464 in 1974, Presidential Decree Nos. 1913 and 1969, both in 1984, and Republic Act 7160 or the Local Government Code of 1991. The purpose and application of SEF have been specifically referred to cover the expenditures accruing to the implementation of certain priority requirements of basic education – elementary and secondary schools, at the different levels of local governance under the disposition of respective Local School Boards (LSB) which were created under RA 5447.

Section 1, Article XIV of the Philippine Constitution provides for the right of all citizens to quality education at all levels and that appropriate steps should be taken by the government to make such education accessible to all.

Giving due importance to the said constitutional mandate, a number of our local government units have taken the initiative to make higher education accessible to their constituents by establishing, through ordinances of their respective *sanggunians*, local colleges and universities (LCUs) within their territorial jurisdiction under the provisions of the Local Government Code of 1991 or Republic Act 7160. Many of these LCUs however lack the appropriate funding which has taken a toll on the delivery of quality education.

The ultimate intent of constituting the SEF under RA 5447 is to contribute financial support to the goals of education. This should be rationalized on the light of the said problem concerning LCUs by including higher education in the coverage of the special fund.

This measure seeks to include higher education in the coverage of the Special Education Fund by allocating certain portion of the funds for the activities and needs of local colleges and universities. This in effect also proposes to include the representative of LCUs in the various Local School Boards (LSB).

It is therefore recommended that the foregoing bill be approved.

EULOGIO "AMANG" R. MAGSAYSAY

SIXTEENTH CONGRESS OF THE )  
REPUBLIC OF THE PHILIPPINES )  
First Regular Session )

**House of Representatives**

**House Bill No. 3435**

---

Introduced by Rep. Eulogio "Amang" R. Magsaysay

---

**AN ACT**

**EXPANDING THE PURPOSE AND APPLICATION OF THE SPECIAL EDUCATION FUND (SEF) TO INCLUDE IN THE ANNUAL BUDGET OF RESPECTIVE LOCAL SCHOOL BOARDS CERTAIN ALLOCATION FOR THE OPERATION OF LOCAL COLLEGES AND UNIVERSITIES, AND FOR OTHER PURPOSES**

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

**SECTION 1.** It is the declared policy of the State to protect and promote the right of all citizens to quality education at all levels and to take appropriate steps to make education accessible to all. In doing so, the State shall establish, maintain and support a complete, adequate and integrated system of education relevant to the needs of the people and society and that it shall take into account regional and sectoral needs and conditions and shall encourage local planning in the development of educational policies and programs. In particular, funding assistance for operation of local colleges and universities shall also be a prime consideration of the government.

**SECTION 2.** Funding for the operation of the local colleges and universities shall now be included under the coverage of the Special Education Fund (SEF).

**SECTION 3.** The President of concerned local college or university or a representative of the association of local colleges and universities in the locality shall now be included in the membership of the municipal, city, and provincial school boards.

**SECTION 4.** The concerned local school board shall consider in the annual preparation and approval of its budget certain allocation for the needs and operation of local college(s) and universities under its jurisdiction.

**SECTION 5.** All means of improving the efficiency of real property tax collection in all local government units as mandated in the provision of the Local Government Code of 1991 shall be strictly enforced.

**SECTION 6.** The Department of the Interior and Local Government (DILG) in collaboration with all concerned government agencies and associations shall promulgate the implementing rules and regulations as may be necessary to carry out the provisions of this Act within sixty (60) days from the effectivity of this Act.

**SECTION 7.** If any provision of this Act shall be held unconstitutional or invalid, the remaining provisions which are not affected thereby shall continue to be full force and effect.

**SECTION 8.** All laws, executive orders, decrees, instructions, rules and regulations and other issuances, or parts thereof, contrary to or inconsistent with this Act are hereby modified, amended or repealed accordingly.

**SECTION 9.** This Act shall take effect fifteen (15) days after its publication in at least two (2) newspapers of general circulation.

*Approved,*