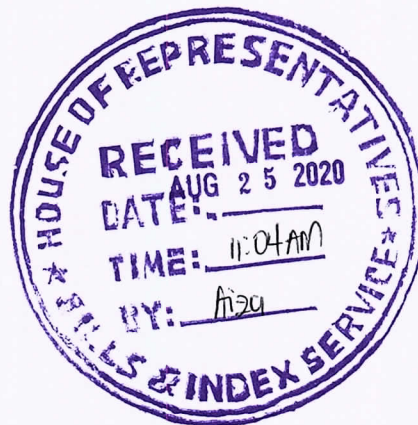




Republic of the Philippines
HOUSE OF REPRESENTATIVES

EIGHTEENTH CONGRESS
Second Regular Session

HOUSE BILL NO. 7484

Introduced by HON. JESUS "BONG" C. SUNTAY

EXPLANATORY NOTE

With the emergence of globalization, Philippines is compelled to compete with its neighboring countries in terms of technical knowledge and skills. In response to this, the country rolled out the K-12 Program since the year 2012. However, this step is not enough to fill the gaps of our education system. To further enhance Filipinos' technological knowledge and skills that will enable them to meet the growing needs and demands of a highly competitive world market, this curriculum upgrade must be complemented by a nationwide modernization program.

Technological facilities of elementary and secondary schools particularly public schools are lagging behind. These proposed nationwide modernization program will include additional computer laboratories, science laboratories, libraries, and promotion of integrated distance learning program. The upgrade and enhancement of these learning facilities will help strengthen our education system. This will make Filipinos more equipped and globally competitive.

Given the mass number of public elementary and high schools in the country, there is a need to augment the regular appropriations through active partnership with local government units and private sector such as foundations and business groups.

This bill seeks to establish the School Modernization and Innovation Trust Fund that will help finance the School Modernization and Innovation Program for public elementary and secondary schools.

It is high time for the government to consider increasing the share of budget to educational institutions particularly for the computerization of schools, upgrading of libraries and science laboratories. This action would not only enhance the competencies of students but would also increase the efficiency of our teachers.

In view of the foregoing, the immediate passage of this bill is earnestly sought.


ATTY. JESUS "BONG" C. SUNTAY

Republic of the Philippines
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EIGHTEENTH CONGRESS
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HOUSE BILL NO. 7484

Introduced by HON. JESUS “BONG” SUNTAY

AN ACT
INSTITUTIONALIZING A SCHOOL MODERNIZATION AND INNOVATION PROGRAM
FOR PUBLIC ELEMENTARY AND SECONDARY SCHOOLS PROVIDING FUNDS
THEREFOR AND FOR OTHER PURPOSES

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

1 **SECTION 1. *Short Title.*** – This act shall be known as “*School Modernization and Innovation*
2 *Act.*”

3 **SEC. 2. *Declaration of Policy.*** – It is hereby declared the policy of the State to promote a
4 comprehensive and sustainable modernization program for all public elementary and secondary schools
5 aimed at improving the effectiveness and efficiency of delivery of basic education. The State shall
6 likewise take into account the regional and sectoral needs and conditions in developing a viable long-
7 term modernization plan. The State shall also encourage the participation of the private sector and local
8 government units in strengthening programs which provide relevant and adequate skills for public
9 school children necessary for them to be globally competitive.

10 **SEC. 3. *Statement of Purpose.*** – This Act seeks to attain the following objectives:

- 11
12 a. To provide a broad framework for the institutionalization of a comprehensive, and
13 sustainable modernization program for the public schools;
14 b. To encourage the schools to become more innovative and resourceful in developing
15 and implementing programs geared towards modernization;
16 c. To develop mechanisms which will define the roles and responsibilities of the officials
17 from the regional, division down to the school levels in the implementation of the
18 school modernization programs;
19 d. To provide mechanisms on how the private sector can participate in the program; and
20 e. To define a regional, division and school modernization and innovation plan responsive
21 to the needs of the students in the area.

1 **SEC. 4. *Implementing Agency.*** - The Department of Education, hereinafter referred to as
2 the “Department”, shall be the main implementing agency of the School Modernization and Innovation
3 Act. The Secretary of Education shall be responsible of ensuring the smooth implementation of the
4 modernization plan for schools.

5 **SEC. 5. *Components.*** – The School Modernization and Innovation Program shall consist
6 of the following:

- 7 a. Computerization of public elementary and high schools. The DepEd, in coordination
8 with other appropriate government agencies, shall determine the appropriate number
9 of information technology (IT) equipment depending on the number of student
10 enrollment. The Science high schools in every region nationwide shall be given priority
11 in the allocation of funds for the computerization.
- 12 b. Upgrading of libraries in public elementary and secondary schools. A well-equipped
13 library shall be established in every public elementary and secondary high school. The
14 library should be provided with at least five (5) computers, which have Internet access
15 to assist the students in their research work.
- 16 c. Promotion of an integrated distance-learning program. The distance learning program
17 aims to enable the students from local and foreign private schools to share their
18 knowledge and expertise in the areas of Science and Technology, Mathematics, English
19 and Communication to students in public schools through modern system of
20 instructional and communication technology. It may adopt an interactive system of
21 instruction through television, modern satellite communication or cable system
22 whichever is appropriate and feasible in the area. The students as wells as teachers in
23 public schools shall be provided with opportunities to avail of the latest trends and
24 developments in the field of educational, science, technology and communication even
25 from abroad through distance learning programs.
- 26 d. Upgrading of Science Laboratories. Each public elementary and high school will be
27 provided with well-equipped science laboratories with modern science equipment,
28 which is essential in improving the competencies of the students in the area of science
29 and technology.

30 **SEC. 6. *Phased Implementation of the Program.*** – The Department shall implement the
31 program in phases to ensure continuity and sustainability of the projects. The phases of
32 implementation will be determined according to the priorities set by the Department as well as
33 the absorptive capacity of the schools

34 **SEC. 7. *Financing of the Program.*** – The Department of Budget and Management shall
35 allocate at least ten percent (10%) of the total appropriations of the annual budget of the
36 Department for the financing of the School Modernization and Innovation Program.

1 **SEC. 8. *Formulation of School Modernization and Innovation Plan at School and***
2 ***Regional Level. –***

- 3 a. National Modernization and Innovation Plan. The Secretary of Education, in
4 consultation with Regional Directors and Schools Division Superintendents, shall
5 develop a comprehensive and sustainable modernization and innovation plan for public
6 elementary and secondary schools nationwide which will be implemented with a period
7 of five (5) years. It shall take into account the rapid changes in the field of information
8 technology, communication and instructional delivery in various part of the world. It
9 shall also identify sources of funding both from local and international financial
10 institutions as well as the role of private sector, local government units and other
11 members of the civil society. It shall likewise define the national standards and
12 framework, which will be adopted in developing the individual plans.
- 13 b. Regional Modernization and Innovation Plan. The Regional Director, in coordination
14 with the Schools Division Superintendents, shall formulate a modernization framework
15 consistent with national standards which will serve as the basis for the plan taking into
16 consideration the specific needs, and requirements of the region. The regional plan
17 shall highlight the peculiarities and unique needs of the various schools within its
18 jurisdiction.
- 19 c. School Modernization and Innovation Plan. Each school shall formulate its own 5-year
20 modernization plan which reflects the aspirations and goals of the school based on the
21 regional plan of action. The plan shall consist of an assessment of the existing needs of
22 the school as well as an inventory of existing educational facilities, priority programs
23 for the allocation of funds, strategies to mobilize financial resources to augment regular
24 budget and strategies to manage the use of personnel, physical and fiscal resources.
25 The individual plans of the schools shall be submitted to the regional offices for
26 consolidation.

27 **SEC. 9. *School Modernization and innovation Trust Fund. –*** A School Modernization
28 and Innovation Fund, hereinafter referred to as the Fund, is hereby established, exclusively to
29 augment the regular appropriations provided under Section 7 of this Act to finance the priority
30 programs for school modernization and improvement of public elementary and secondary
31 schools.

- 32 a. The government's contribution to the Fund shall be following:
- 33 1. The amount of Fifteen Billion Pesos (P15,000,000,000.00) as seed capital;
- 34 2. The equivalent of ten percent (10%) of the annual gross earnings of the
35 Philippine Amusement Gaming Corporation (PAGCOR);
- 36 3. The equivalent of 10% annual share on the total gross collections of the
37 travel tax;

4. The equivalent of 10% of any additional increase annually in the fees for vehicle registration;
5. The equivalent of 2% of the additional increase annually in revenue collections;
6. The equivalent of 10% of the sales of the lotto operations of the Philippine Charity Sweepstakes Offices (PCSO).

The fund shall have a private portion to be raised from donations and gifts and other conveyances including materials, equipment, properties and services by gratuitous title.

- b. The fund shall be distinct and separate from the schools' regular allotment for maintenance and other operating expenses (MOOE).
- c. The Department shall be authorized to use the annual interest income of the Trust Fund provided that the expenditures will be used directly for the implementation of the modernization programs and not on the regular programs of the Department: *Provided*, That 50% of the entire annual income shall be retained in the Bureau of the Special Treasury.

SEC. 10. *Management and Administration of the Fund.* – The fund shall be administered by the Department of Education. For sound and judicious management of the Fund, the Department shall appoint a reputable government financial institution as portfolio manager of the Fund, subject to the following conditions:

As administrator of the Fund, the Department shall prepare the necessary guidelines for its use, subject to the following conditions:

- a. No part of the seed capital of the Fund, including earnings thereof shall be used to underwrite overhead expenses of the administration;
- b. Unless otherwise stipulated by the private donor, only earnings of private contributions shall be used for administrative expenses;
- c. The Department shall appoint and organize a separate staff that will be independent administratively from the Departments. It shall also enjoy fiscal autonomy from the Department.

SEC. 11. *Assistance from Local Government Units.* – Each Local Government Unit (LGU) shall allocate at least 5% of their Special Education Fund to augment the appropriations for the financing of programs in line with the thrusts of the school modernization and innovation program.

SEC. 12. *Uses of the Fund.* – The School Modernization and Innovation Fund shall be used to finance the following:

- a. Projects, which have been approved and certified as priority by the National Executive Committee and Regional Modernization Committees created under Section 13 based on the guidelines and criteria formulated by the Department;
- b. In service training of the teachers in the area of computer literacy and instructional communication technology;
- c. Procurement of computer equipment including maintenance of computer, laboratories, audio visual and multimedia facilities, and appropriate education technology software; and
- d. Procurement of science equipment for science laboratories in schools

SEC. 13. *Order of Priority in the Allocation of Funds.* – In order for the school to be given priority in the allocation of funds from the School Modernization Innovation Trust Fund, the following criteria should be met:

- a. The programs, which will be funded, should be in line with the formulated regional and school modernization plans;
- b. The school should have mobilized additional 40% counterpart funding from the Local Government Unit, private corporations, foundations, business groups or private individuals for every program which will be implemented.
- c. The programs have been approved by either the regional Modernization Committee or the National Executive Committee, or both depending on the funding required.

SEC. 14. *Selection Process.* – The individual schools nationwide are directed to develop project proposals in line with the modernization thrusts of their region and submit to their respective regional offices to determine its feasibility and contribution to the overall thrusts of school modernization in the country.

A National Executive Modernization Committee shall be established. It shall be headed by the Secretary of the Department of Education, the Undersecretary for Programs and Directors of Elementary and Secondary Education and two representatives from the private sector. It shall be in-charge in evaluating projects with national application and coverage.

A Regional Modernization Committee headed by the Regional Director and composed of three Division Superintendents and two Representatives from Parent Teachers Association in the region shall be established to evaluate all project proposals at the regional level. The Regional Modernization Committee shall have the authority to approve and recommend release of funding for projects with a funding requirement of up to One Million Pesos (P1,000,000.00).

However, the approved project proposals with a funding requirement of more than One Million pesos (P1,000,000.00) will be forwarded to the National Executive Modernization Committee chaired by the Secretary of Department of Education or his duly designated representative for final review and approval.

1 The Department shall promulgate guidelines for the selection of the project
2 proposals, which will be funded by the School Modernization and Innovation Fund.

3 **SEC. 15. *Private Sector Participation.*** – The members of the private sector are hereby
4 encouraged to provide technical and/or financial support to the school as they pursue their
5 modernization plans. The private corporations, foundations, business groups or individuals who
6 shall provide support to modernization programs shall be allowed to deduct from their gross
7 income 100% of the expenses directly used to finance the implementation of the program in the
8 schools.

9 The schools which would be able to seek at least 40% counterpart funding support
10 from private corporations, foundations, business groups individual as well as local government
11 in their respective local communities shall be given the priority the provision of direct grants
12 and funding from the School Improvement and Innovation Fund particularly in programs which
13 are mentioned in Section 9.

14 **SEC. 16. *Implementing Rules and Regulations.*** – The Secretary of Education shall
15 promulgate the necessary rules and regulations for the effective implementation of the
16 provisions of this Act.

17 **SEC. 17. *Separability Clause.*** – If any provision or part of this Act is held invalid or
18 unconstitutional, the remaining parts or provisions not affected shall remain in full force and effect.

19 **SEC. 18. *Repealing Clause.*** – All laws, executive orders, presidential decrees or issuances,
20 letter of instruction, administrative orders, rules, and regulations as well as local ordinances contrary to
21 or inconsistent with the provisions of this Act are hereby repealed, amended, or modified accordingly.

22 **SEC. 19. *Effectivity Clause.*** – This Act shall take effect fifteen (15) days after its
23 publication in the *Official Gazette* or in a newspaper of general circulation.

24
25 Approved,