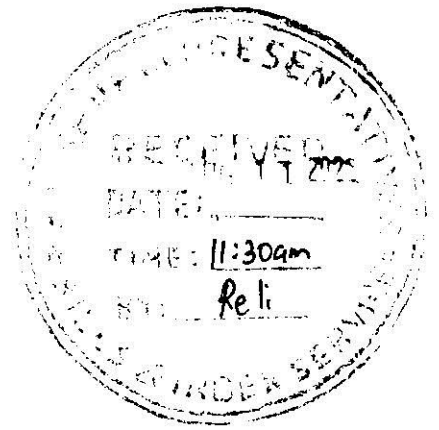


Republic of the Philippines  
**HOUSE OF REPRESENTATIVES**  
Quezon City, Metro Manila

NINETEENTH CONGRESS  
First Regular Session

HOUSE BILL NO. **3512**



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**Introduced by HONORABLE ROMEO M. ACOP**

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**EXPLANATORY NOTE**

Section 309 of Republic Act No. 7160, otherwise known as the Local Government Code of 1991, provides for the establishment of a Special Education Fund (SEF). Section 272 of the same Code limits the allocation of the SEF to the operation and maintenance of public schools, construction and repair of school buildings, facilities and equipment, educational research, purchase of books and periodicals, and sports development as determined and approved by the Local School Board.

Under Joint Circular No. 1, series of 2017 issued by the Department of Education (DepEd), Department of Budget and Management (DBM), and Department of the Interior and Local Government (DILG), given the observed practices in the utilization of the SEF and current developments in the basic education sub-sector, particularly the K to 12 Basic Education Program and early childhood care and development (ECCD) programs, there is a need to revisit and refocus the policies on the use of the SEF to further support the supplementary budgetary needs of schools and learning centers.

It is well to note that the Local Government Code was signed into law almost three decades ago. Guided by said DepEd-DBM-DILG Joint Circular, the proposed measure seeks to expand the allocation and purposes of the SEF in order to be more responsive to the present needs of local schools.

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

  
**HON. ROMEO M. ACOP**  
Representative  
2nd District, Antipolo City

Republic of the Philippines  
**HOUSE OF REPRESENTATIVES**  
Quezon City, Metro Manila

NINETEENTH CONGRESS  
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**AN ACT**  
**EXPANDING THE PURPOSES AND APPLICATION OF THE SPECIAL**  
**EDUCATION FUND (SEF), AMENDING FOR THE PURPOSE SECTION 272 OF**  
**REPUBLIC ACT NO. 7160, OTHERWISE KNOWN AS THE LOCAL**  
**GOVERNMENT CODE OF 1991 AND FOR OTHER PURPOSES**

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

**SECTION 1.** Section 272 of Republic Act No. 7160, otherwise known as the Local Government Act of 1991, is hereby amended to read as follows:

“Section 272. Application of Proceeds of the Additional One Percent SEF Tax. - The proceeds from the additional one percent (1%) tax on real property accruing to the Special Education Fund (SEF) shall be automatically released to the local school boards: Provided, That, in case of provinces, the proceeds shall be divided equally between the provincial and municipal school boards: Provided, however, That the proceeds shall be allocated for the PURPOSES LISTED BELOW IN THE FOLLOWING ORDER OF PRIORITY:

1) Operation and maintenance of public schools:

- a) PAYMENT OF COMPENSATION/ALLOWANCES OF TEACHERS LOCALLY-HIRED IN ELEMENTARY AND SECONDARY SCHOOLS IDENTIFIED TO HAVE SHORTAGES PER THE TEACHER DEPLOYMENT ANALYSIS OF DEPED; THE RATES OF COMPENSATION/ALLOWANCES SHALL BE DETERMINED BY THE LOCAL SCHOOL BOARD (LSB) BASED ON FUNDS AVAILABLE, BUT NOT TO EXCEED THE SALARY SCHEDULE BEING IMPLEMENTED BY THE LOCAL GOVERNMENT UNIT (LGU) CONCERNED: PROVIDED, THAT FOR THE PURPOSE OF HIRING TEACHERS CHARGEABLE AGAINST THE SEF, THE LSB IN EACH PROVINCE, CITY OR MUNICIPALITY SHALL UTILIZE THE LIST FOUND IN THE REGISTRY OF QUALIFIED APPLICANTS (RQA);
- b) PAYMENT OF SALARIES/WAGES OF UTILITY WORKERS AND SECURITY GUARDS HIRED IN PUBLIC ELEMENTARY AND SECONDARY SCHOOLS WHICH HAVE NOT BEEN PROVIDED SUCH POSITION IN THE DEPED BUDGET; AND
- c) PAYMENT OF EXPENSES PERTAINING TO THE

OPERATION OF SCHOOLS, WHICH MAY INCLUDE UTILITIES AND COMMUNICATION EXPENSES.

2) Construction and repair of school buildings:

- a) CONSTRUCTION, REPAIR, AND MAINTENANCE OF SCHOOL BUILDINGS AND OTHER FACILITIES FOR PUBLIC ELEMENTARY AND SECONDARY SCHOOLS, WHICH ARE DEEMED TO HAVE SHORTAGE OF CLASSROOMS OR OF OTHER FACILITIES, AS THE CASE MAY BE PER DEPED CLASSROOM DEPLOYMENT ANALYSIS, SUBJECT TO EXISTING STANDARDS/SPECIFICATIONS SET BY DEPED AND/OR DEPARTMENT OF PUBLIC WORKS AND HIGHWAYS; AND
- b) ACQUISITION AND TITLING OF SCHOOL SITES.

3) Facilities and equipment:

- a) ACQUISITION OF LABORATORY, TECHNICAL AND SIMILAR APPARATUS, AND INFORMATION TECHNOLOGY EQUIPMENT AND COROLLARY SUPPORTING SERVICES, SUBJECT TO THE PREVAILING REQUIREMENTS AND SPECIFICATIONS

SET BY THE DEPED.

4) Educational research:

- a) EDUCATIONAL RESEARCH OTHER THAN THE RESEARCH SUBJECT AREAS FUNDED IN THE DEPED BUDGET, SUBJECT TO THE PREVAILING POLICIES AND GUIDELINES OF THE DEPED.

5) Purchase of books and periodicals:

- a) PURCHASE OF LIBRARY BOOKS AND PERIODICALS FOR THE LIBRARIES OF THE DIFFERENT ELEMENTARY AND SECONDARY SCHOOLS IN THE PROVINCE, CITY, AND MUNICIPALITY, AND PURCHASE OF INSTRUCTIONAL MATERIALS, WORKBOOKS AND TEXTBOOKS NEEDED BY PUBLIC ELEMENTARY AND SECONDARY SCHOOLS, SUBJECT TO THE PREVAILING POLICIES AND GUIDELINES OF THE DEPED.

6) Sports development:

- a) EXPENSES FOR SCHOOL SPORTS ACTIVITIES AT THE NATIONAL, REGIONAL, DIVISION, DISTRICT,

MUNICIPAL AND BARANGAY LEVELS, AS WELL AS FOR OTHER DEPED RELATED ACTIVITIES, SUBJECT TO PREVAILING REQUIREMENTS AND SPECIFICATIONS SET BY THE DEPED.

- 7) FUNDING FOR THE EARLY CHILDHOOD CARE AND DEVELOPMENT (ECCD)
  - a) DIRECT SERVICES RELATED TO THE IMPLEMENTATION OF THE ECCD PROGRAM, SUCH AS SALARIES/ALLOWANCES OF LOCALLY HIRED CHILD DEVELOPMENT TEACHERS AND/OR DAY CARE WORKERS;
  - b) ORGANIZATION AND SUPPORT OF PARENT COOPERATIVES TO ESTABLISH COMMUNITY-BASED ECCD PROGRAMS;
  - c) PROVISION OF COUNTERPART FUNDS FOR THE CONTINUING PROFESSIONAL DEVELOPMENT OF ECCD PUBLIC SERVICE PROVIDERS;
  - d) PROVISION OF FACILITIES FOR THE CONDUCT OF THE ECCD PROGRAM; AND

- e) PAYMENT OF EXPENSES PERTAINING TO THE OPERATIONS OF NATIONAL CHILD DEVELOPMENT CENTERS, INCLUDING, BUT NOT LIMITED TO, UTILITIES.”

**SECTION 2.***Implementing Rules and Regulations.* - The Department of Education (DepEd), Department of Interior and Local Government (DILG) and the Department of Budget and Management (DBM) shall, within ninety (90) days from the effectivity of this Act, promulgate the rules and regulations necessary to implement the provisions hereof.

**SECTION 3.***Separability Clause.* — Should any provision of this Act or any part hereof be declared invalid, the remainder of this Act or any provision not affected thereby shall remain in force and effect.

**SECTION 4.***Repealing Clause.* — All laws, decrees, rules and regulations or parts thereof contrary to or inconsistent with the provisions of this Act are hereby repealed or modified accordingly.

**SECTION 5.***Effectivity Clause.* - This Act shall take effect fifteen (15) days after its publication in the Official Gazette or in at least two (2) newspapers of general circulation.

**Approved,**