

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

NINETEENTH CONGRESS
First Regular Session

House Bill No. 5589



Introduced by Representative Ron P. Salo

EXPLANATORY NOTE

The Philippine government has played an active role in orchestrating public and private efforts toward shared objectives. Infrastructure, social protection, and education are some of the areas where the Philippines has made significant headway in offering public-private modalities to broaden access to basic services.

Republic Act No. 6728, as amended by Republic Act No. 8545 or "Government Assistance and Subsidies to Students and Teachers in Private Education Act" or GASTPE has been implemented to maximize the use of existing resources of private education in recognition of the government's responsibility to provide quality basic elementary and secondary education. In an assessment conducted by the Department of Education and the Asian Development Bank, it was found that the GASTPE delivers on services provided, client satisfaction, and fidelity to program design. The program has also contributed to the decongestion of public high schools.

Given these advantages, there is a need to amend the law to expand the coverage of the GASTPE to cover primary and kindergarten education. Currently, government assistance and subsidies are limited to Grade 7 to 12 students in secondary education. GASTPE, in its current form, does not cover students in elementary education, where poor learning outcomes remain a prevalent concern.

Filipino students' potential for higher learning and greater economic and development contributions are stunted by weak foundations in mathematics, science, and reading among elementary students. As much as 4 in 5 fall below the minimum proficiency for their grade level according to the Trends in International Mathematics and Science (TIMSS) for Grade 4 students, and Southeast Asia – Primary Learning Metrics (SEA-PLM) for Grade 5. As much as 9 out of 10 are not able to meet the minimum proficiency for science among Grade 4 students according to the TIMSS, and reading according to the SEA-PLM. Poor school performance in as early as elementary will likely make it even more difficult to improve school performance at later stages of learning. This warrants the updating of the 20-year law to extend the program's benefits to a younger learning cohort that equally needs assistance.

Private schools have been severely affected by the COVID-19 pandemic. In August 2022, the Department of Education reported that 12.5% of total private schools or 1,811 private schools, have ceased operations during the pandemic,

citing no or low enrollment and the COVID-19 pandemic as the main reasons for non-operation. According to a survey by the 500-member Coordinating Council of Private Educational Associations of the Philippines (COCOPEA), 400 or 80% of the surveyed private schools are at risk of closure. The survey also showed around 370,000 private school teachers went on no-work, no-pay status, or had taken pay cuts since the COVID-19 pandemic started.

According to the Department of Education, around 398,930 school learners transferred from private to public schools at the height of the pandemic in 2020. Between 2020 and 2022, the Department of Education reported an increase in public school enrollees by 1,554,572 or a 6.88% increase during the pandemic. Meanwhile, private schools experienced an opposite trend, and there were 997,334 less private school enrollees or as much as a 23% decline to pre-pandemic enrolment.

School closures have also severely affected children's learning, which were already constrained even before the COVID-19 pandemic. The National Economic and Development Authority estimates that in the next 40 years, the learning losses due to COVID-19 will amount to Php11 trillion. The United Nations estimates that an additional 101 million children from Grades 1 to 8 have fallen below the minimum reading proficiency in 2020 due to the pandemic and school closures. This means that gains achieved over the past 20 years have been wiped out in a single year. While reading proficiency levels could recover by 2024, well-orchestrated efforts and a whole-of-government and whole-of-society approach would be needed. Expanding access to quality education through government assistance and subsidies to private education provides a cost-effective complement to existing public education initiatives.

Aside from expansion, there is also an imperative to improve allocation to target the most vulnerable students. Beneficiary selection of voucher programs can be made even more equitable as higher income households are more likely to access education voucher programs compared to their lower income counterparts. Based on the data from the 2020 Annual Poverty Indicators Survey, households from the 7th to 10th income deciles comprise 55% of the total recipients under the Educational Service Contracting (ESC) program and 59% of the total recipients under the Senior High School Voucher Program (SHS VP). Meanwhile, only 24% (ESC) and 20% (SHS Voucher) from the bottom 40% of the population are able to access these forms of assistance.

Thus, this bill seeks to (a) expand government assistance and subsidies to include kindergarten and elementary students in private educational institutions; (b) strengthen the current allocation mechanism to prioritize the most vulnerable students; and (c) empower students and families in utilizing available subsidies by providing an informed choice of education options.

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



RON P. SALO
KABAYAN Party List

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AN ACT
EXPANDING AND STRENGTHENING ASSISTANCE TO STUDENTS AND TEACHERS IN PRIVATE BASIC EDUCATION, REPEALING FOR THE PURPOSE REPUBLIC ACT NO. 6728, AS AMENDED BY REPUBLIC ACT NO. 8545, OTHERWISE KNOWN AS THE “EXPANDED GOVERNMENT ASSISTANCE TO STUDENTS AND TEACHERS IN PRIVATE EDUCATION ACT,” AND APPROPRIATING FUNDS THEREFOR

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

SECTION 1. Short Title. – This Act shall be known as the “Expanded Government Assistance to Students and Teachers in Private Basic Education Act”.

SEC. 2. Declaration of Policy. – It is a declared policy of the State in conformity with the mandate of the Constitution, to protect and promote the right of all Filipino citizens to quality education, and shall take appropriate steps to make such education accessible to all. The State also hereby recognizes the complementary roles of public and private educational institutions in the educational system and the invaluable contribution that the private schools have made and will make to education. For these purposes, the State shall provide the mechanisms to improve access to quality private basic education by maximizing the use of existing resources of private education, recognizing in the process the government’s priority and responsibility to provide basic education to all Filipino citizens.

SEC. 3. Coverage. – This Act shall cover government assistance and subsidies (GAS) to students and teachers in participating private basic educational institutions. This Act covers thirteen (13) years of basic education, as follows:

- (a) One (1) year of kindergarten education;
- (b) Six (6) years of elementary education; and
- (c) Six (6) years of secondary education, in that sequence.

SEC. 4. Definition of Terms. – As used in this Act:

- (a) *Basic Education Voucher Program* or *BEVP* refers to a program of financial assistance wherein subsidies in the form of vouchers are

provided to students in any participating private basic educational institutions.

- (b) *Elementary Education* refers to the second stage of compulsory basic education which is composed of six (6) years, the completion of which is attested by a certificate issued by or with permission of the Department of Education (DepEd). The entrant age to this level is typically six (6) years old.
- (c) *Kindergarten Education* shall refer to one (1) year of preparatory education for children at least five (5) years old as a prerequisite for Grade 1 elementary education.
- (d) *Participating Private Basic Educational Institutions* refer to all private basic education schools given a permit to operate by the DepEd.
- (e) *Secondary Education* refers to the third stage of compulsory basic education. It consists of four (4) years of junior high school education and two (2) years of senior high school education, the completion of which is attested by a high school diploma issued by or with permission of the DepEd. The entrant age to the junior and senior high school levels are typically twelve (12) and sixteen (16) years old, respectively.
- (f) *Student Choice* refers to the principle of enabling students or their parents to choose and enroll in a school, public or private, that caters to their needs and goals.

SEC. 5. Criteria for Assistance. – The programs for assistance shall be based on a set of criteria which shall include, among others:

- (a) Tuition fees and other fees charged by the schools;
- (b) Socio-economic needs of each individual student, giving priority to the most vulnerable students;
- (c) Overall performance of the schools;
- (d) Academic qualifications;
- (e) Financial needs of students and teachers; and
- (f) Geographic spread and size of the student population.

Priority shall be given to the most vulnerable students, hereinafter referred to as the priority group, including the bottom first to fifth income deciles as determined by the Philippine Statistics Authority (PSA).

The priority group shall receive a higher voucher amount as determined by the State Assistance Council (SAC). Participating private basic educational institutions shall receive additional incentives based on the percentage of priority students in the school as determined by the SAC.

The GAS programs under this Act shall be extended only to students who are citizens of the Philippines.

SEC. 6. Student Choice. – The DepEd shall establish a system that will support the informed choice of the student and/or parent in selecting the private school to enroll in.

To fully support informed student choice, all participating private basic educational institutions shall be mandated to enlist in the system and include their schools' information, such as location, number of students per classroom and level, extracurricular programs, current tuition fees, and top-up required in cases where the voucher amount is less than the tuition fee, among others.

SEC. 7. Forms of Assistance. – Assistance to private basic education shall consist of assistance to students and teachers.

The following are forms of assistance to students and teachers in private basic education:

- (a) Expansion of the voucher program to basic education, covering kinder, elementary, and secondary students to be called as basic education voucher program (BEVP);
- (b) Basic education learning materials and equipment Assistance Fund;
- (c) In-service Training Fund (Inset Fund) for teachers in private basic education schools;
- (d) Teachers' salary subsidy fund; and
- (e) Other financial arrangements formulated by the DepEd and the Department of Budget and Management (DBM) based on the principles of public-private partnership.

SEC. 8. Quality Assurance. – The DepEd shall establish, operate and maintain a system and mechanism for monitoring program outcomes to ensure accountability of participating private basic educational institutions. This covers the following areas:

- (a) Improved Student Performance – appropriate performance indicators to determine the extent and outcome of the GAS programs including net enrollment ratio, youth literacy rates, national and international assessment test scores, among others;
- (b) Improved Student Outcomes – tracer system to collect and evaluate performance of students;
- (c) School Performance – quality research, school performance data, and other measures of quality education delivery;
- (d) Priority Subsidy for Most Vulnerable Students – distribution of government assistance and subsidies ensuring that funding is equitably allocated following order of priority groups;

Consistent with Sec. 10 of Republic Act No. 10533, or the “Enhanced Basic Education Act of 2013”, the DepEd, in consultation with the DBM, may develop other

forms of financial arrangements and engage the services of private basic education schools based on the principles of public-private partnership.

SEC. 9. Basic Education Voucher Program (BEVP) – Under the BEVP, students covering kinder, elementary, and secondary students enrolled in schools charging school fees shall be provided by the government with a voucher in such amount as may be determined by the DepEd: *Provided*, That the government shall reimburse the vouchers from the schools concerned within one hundred twenty (120) days from the start of the first day of classes.

The amount of assistance shall be equitably allocated and distributed among the seventeen (17) regions based on official data sources including, but not limited to: student population (total population and number of disadvantaged students, e.g. indigenous people, persons with disabilities) and congestion data, giving priority to the most vulnerable students.

The amount of assistance to private basic education students participating in the program shall be guaranteed for a number of slots as of the effectivity of this Act as the number of students availing of the voucher assistance for the school year 2023-2024: *Provided*, That the DepEd may, in subsequent years determine additional seats as may be deemed necessary.

SEC. 10. Basic Education Learning Materials and Equipment Assistance Fund. – There shall be established in the DepEd, a Basic Education Learning Materials and Equipment Assistance Fund, so that assistance on a per student basis shall be given to students enrolled in private schools exclusively for the purchase of basic education learning materials and equipment: *Provided*, That the textbook assistance per student in private basic education shall be determined by the DepEd and shall not exceed what students in public basic education are provided on a per student basis: *Provided*, further, That the assistance shall be granted only to beneficiaries of Basic Education Voucher Program (BEVP) as provided in this Act.

SEC. 11. In-service Training Fund (Inset Fund). – For the purpose of improving the quality of teaching in private basic education, there is hereby established in the DepEd an Inset Fund to provide for the upgrading of knowledge and teaching competencies in critical subject areas and for the modernization of teaching techniques and strategies, including training in the use of information and communications technology to assist instruction: *Provided*, That the Inset Fund shall be available only to private basic education teachers qualified to teach under Republic Act No. 7836, or the “Philippine Teachers Professionalization Act of 1994”, as amended by Republic Act No. 10533: *Provided*, further, That the amount of Inset Fund available to private basic education shall not exceed that available to public basic education on a per capita basis.

SEC. 12. Teachers’ Salary Subsidy Fund. – A Teachers’ Salary Subsidy Fund is hereby established in the DepEd to grant government subsidy to teachers in private basic education schools participating in the programs of assistance provided in this Act: *Provided*, That the private basic education teachers qualified to receive subsidy under this Act shall be duly qualified to teach under Republic Act No. 7836, as amended by Republic Act No. 10533: *Provided* further, That the government shall

provide them with salary subsidy which shall be disbursed within sixty (60) days after the close of the school year upon submission of proof of qualification and actual teaching service directly to the concerned participating private basic education schools: *Provided*, further, That the present allocation out of increases from tuition and other income shall be maintained: *Provided*, finally, That in case of insufficiency of funds, priority shall be given to teachers with children below twenty-one (21) years of age or above twenty-one (21) years of age but physically or mentally incapacitated.

SEC. 13. Institutional Arrangements. – The DepEd shall be responsible for:

- (a) Setting policy direction, financial management, and overall coordination and supervision of the implementation and development of GAS programs under this Act;
- (b) Monitoring, evaluating, and performing oversight functions on GAS programs under this act; and
- (c) Ensuring the effectiveness of government assistance and programs by crafting appropriate performance indicators to ensure that educational institutions where student recipients are enrolled continue to provide quality education.

The DepEd, together with the DBM, National Economic Development Authority (NEDA), and the Department of Finance (DOF) shall form the State Assistance Council (SAC) which shall be responsible for determining the budget and amount of assistance and subsidies, in consultation with representatives from private education organizations.

SEC. 14. Appropriations. – The amount necessary to carry out the provisions of this act shall be included in the annual general appropriations act (GAA).

The funds appropriated for this purpose shall be constituted as a trust fund to be administered by the DepEd, which shall be separate and distinct from the regular appropriations of the DepEd, and shall be released directly to the participating private basic education schools.

SEC. 15. Penalties. – In case of violations of the provisions of this Act or the rules and regulations promulgated pursuant thereto by an institution, the DepEd may bar, after due process, the institution from participating in or benefiting from the programs of this Act, and from other programs of the Department, without prejudice to administrative and criminal charges as may be filed against the school and/or its responsible officers under existing laws.

SEC. 16. Transitory Provision. – Subject to the availability of funds, the implementation of the provisions stipulated in this Act for the kindergarten and elementary levels shall gradually commence in the school year 2023-2024, as may be determined by the DepEd.

All references to tertiary education programs under the E-GASTPE Law shall be transferred to and managed by the Unified Student Financial Assistance System

for Tertiary Education (UniFAST) Board, created by virtue of Sec. 14 of Republic Act No. 10687, or the “UniFAST Act”.

SEC. 17. Implementing Rules and Regulations. – Within ninety (90) days from the approval of this Act, the DepEd shall, in consultation with the DBM and other concerned stakeholders from the associations of private schools, promulgate the rules and regulations implementing the provisions of this Act.

SEC. 18. Separability Clause. – Any portion or provision of this Act that may be declared unconstitutional or invalid shall not have the effect of nullifying the other portions or provisions hereof as long as such remaining portion or provision can still subsist and be given effect in their entirety.

SEC. 19. Repealing Clause. – Republic Act No. 6728 and Republic Act No. 8545 is hereby repealed and all laws, decrees, orders, instructions, rules and regulations and other issuance or parts thereof inconsistent with this Act are likewise repealed or amended accordingly.

SEC. 20. Effectivity. – This Act shall take effect fifteen (15) days after its publication in the Official Gazette or any two (2) newspapers of general circulation in the Philippines.

Approved.