

Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City

NINETEENTH CONGRESS
First Regular Session

HOUSE BILL NO. 8091



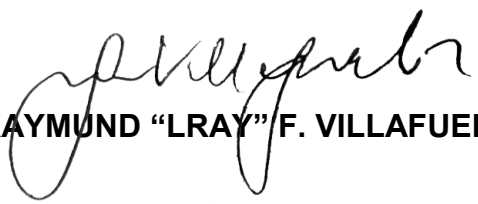
Introduced by **HON. LUIS RAYMUND “LRAY” F. VILLAFUERTE, JR.**

EXPLANATORY NOTE

Classroom shortage remains a burden on the education system in the country, affecting those from highly-populated areas to rural schools. Despite the increase in the Department of Education’s budget, the additional funding is still unable to cope with the current demand as well as the increase in the number of enrollees expected in the coming years. The agency plans to tackle this problem through “creative” strategies such as high-rise school buildings and school communities outside urban centers. However, plans would fail to come to fruition without support from the State.

This bill intends to improve the levy and use of the Special Education Fund (SEF). The SEF is collected from the additional 1% tax on real property established under Republic Act No. 7160, or the Local Government Code. This bill proposes to amend the said RA to grant municipalities the power to levy and collect SEF. This intends to empower the Local Government Units and the local school boards and help support the funding problem for classroom shortages. The bill also proposes to expand the use of the SEF for the payment of honoraria for volunteer school teachers and use the SEF as payment or collateral for loans, debts or credits from lending institutions.

The approval of this bill is earnestly sought.


LUIS RAYMUND “LRAY” F. VILLAFUERTE, JR.

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Introduced by **HON. LUIS RAYMUND “LRAY” F. VILLAFUERTE, JR.**

AN ACT
EXPANDING THE APPLICATION OF THE SPECIAL EDUCATION FUND,
AMENDING FOR THE PURPOSE SECTIONS 100, 235 AND 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. *Short Title.* – This Act shall be known as the “*Revised Special Education Fund Purposes Act.*”

SEC. 2. *Declaration of Policy.* – It is the policy of the State to protect and promote the right of all citizens to quality education at all levels and shall take appropriate steps to make such education accessible to all. Furthermore, it is the policy of the state to provide a safe and healthy environment for students, more so in times of national emergencies.

SEC. 3. Section 100 of Republic Act No. 7160, otherwise known as the “Local Government Code of 1991” is hereby amended as follows:

“SECTION 100. Meetings and Quorum; Budget. –

“(a) The local school board (LSB) shall meet at least once a month or as often as may be necessary.

“(b) Any of the co-chairmen may call a meeting. A majority of all its members shall constitute a quorum. However, when both co-chairmen are present in

a meeting, the local chief executive concerned, as a matter of protocol, shall be given preference to preside over the meeting. The division superintendent, city superintendent or district supervisor, as the case may be, shall prepare the budget of the school board concerned. Such budget shall be supported by programs, projects, and activities of the school board for the ensuing fiscal year. The affirmative vote of the majority of all the members shall be necessary to approve the budget.

“(c) The annual school board budget shall give priority to the following:

“(1) Construction, repair, and maintenance of school buildings, ADMINISTRATION OFFICES, ASSEMBLY HALLS, LABORATORIES, and other facilities AND IMPROVEMENTS of public elementary and secondary schools;

“(2) OPERATION AND MAINTENANCE OF PUBLIC ELEMENTARY AND SECONDARY SCHOOLS, INCLUDING THE ALTERNATIVE LEARNING SYSTEM (ALS) PROGRAM;

“(3) [(2)] Establishment and maintenance of extension classes where necessary; [and]

“(4) PAYMENT OF SALARIES, ALLOWANCES, AND OTHER BENEFITS OF TEACHERS INCLUDING THE CREATION OF TEACHER ITEMS FOR THE SAID EXTENSION CLASSES, TEACHING AIDS, AND OTHER INSTRUCTIONAL MATERIALS.

“(5) HIRING AND EMPLOYMENT, PAYMENT OF SALARIES, ALLOWANCES AND OTHER BENEFITS, OF ADMINISTRATIVE AND NON-TEACHING PERSONNEL;

“(6) PROVISION FOR SCHOOL UNIFORMS

“(7) [(3)] Sports activities at the division, district, municipal, and barangay levels; AND

“(8) FUNDING FOR THE EARLY CHILDHOOD CARE AND DEVELOPMENT PROGRAM.

“IN THE EVENT OF A NATIONWIDE DECLARED EMERGENCY OR WHEN THE EXECUTIVE DEPARTMENT DEEMS IT NECESSARY, THE DEPARTMENT OF EDUCATION (DEPED), IN COORDINATION WITH THE RESPECTIVE LOCAL GOVERNMENT UNITS (LGUs), UPON SHOWING THE NECESSITY AND UPON APPROVAL OF THE LSB, MAY LEVY FUNDS FROM THE SPECIAL EDUCATION FUND (SEF) FOR THE PREEMPTIVE AND/OR RESPONSIVE MEASURES INCLUDING, BUT NOT LIMITED TO, THE PAYMENT OF SALARIES, ALLOWANCES, AND OTHER BENEFITS OF TEACHING AND NON-TEACHING PERSONNEL, CREATION OF TEMPORARY TEACHER ITEMS ON CONTRACTUAL EMPLOYMENT, AS WELL THE HIRING OF TEMPORARY NON-TEACHING PERSONNEL; PROVIDED THAT THE HIRING OF TEACHERS THEREFOR SHALL BE IN ACCORDANCE WITH THE SELECTION AND PROMOTION SYSTEM OF THE DEPED SUCH AS RANKING AND LOCALIZATION; PROVIDED, FURTHER, THAT THE TEACHER HIRED SHALL BE PAID A SALARY EQUIVALENT TO THAT RECEIVED BY A NATIONALLY-PAID SCHOOL TEACHER, PROVIDED, FURTHERMORE, THAT THE SAID TEACHER SHALL BE ENTITLED, WHENEVER POSSIBLE, TO THE SAME ALLOWANCES RECEIVED BY THE LATTER; REMUNERATION OR HONORARIA OF VOLUNTEER SCHOOL TEACHERS; RESEARCH STUDIES; TRAINING OF TEACHERS; AND ALL OTHER PURPOSES NECESSARY FOR THE PROPER IMPLEMENTATION OF THE PREEMPTIVE AND RESPONSIVE PROGRAMS OF THE DEPED FOR THE DURATION OF THE PUBLICLY DECLARED EMERGENCY OR UNTIL THE EXECUTIVE DEPARTMENT AND DEPED DEEM NECESSARY.

“DEPED SHALL REPORT TO THE LSB AS TO THE USE AND DISBURSEMENT OF THE LEVIED FUNDS, AS OFTEN AS MAY BE REQUIRED BY THE LSB.”

SEC. 4. Section 235 of the same Code is hereby amended to read as follows:

“SECTION 235. Additional Levy on Real Property for the SEF. – AN SEF IS HEREBY CREATED FOR EVERY LGU MENTIONED HEREUNDER TO BE FUNDED FROM THE ADDITIONAL LEVY ON REAL PROPERTY PRESCRIBED UNDER THIS SECTION.

“A province or city, or a municipality within the Metropolitan Manila Area, may levy and collect an annual tax of one percent (1%) on the assessed value of real property IN THEIR RESPECTIVE TERRITORIAL JURISDICTION which shall be in addition to the basic real property tax PROVIDED UNDER THIS CODE.

“EVERY MUNICIPALITY OUTSIDE THE METROPOLITAN MANILA AREA MAY LIKEWISE LEVY AND COLLECT AN ANNUAL TAX OF ONE-HALF PERCENT (1/2%) ON THE ASSESSED VALUE OF THE PROPERTY WITHIN SAID MUNICIPALITY. The proceeds OF THE ADDITIONAL LEVY STATED IN THE PRECEDING PARAGRAPHS thereof shall exclusively accrue to the [Special Education Fund (JSEF)] OF THE LGU CONCERNED.”

SEC. 5. Section 272 of the same Code 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 (JSEF)] 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: [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.]

“1. OPERATION AND MAINTENANCE OF PUBLIC SCHOOLS AND ALS

- “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 EQUIVALENT TO THAT RECEIVED BY A NATIONALLY-PAID SCHOOL TEACHER; PROVIDED, FURTHERMORE, THAT THE SAID TEACHER SHALL BE ENTITLED, WHENEVER POSSIBLE, TO THE SAME ALLOWANCES RECEIVED BY THE LATTER, REMUNERATION OR HONORARIA OF VOLUNTEER SCHOOL TEACHERS, RESEARCH STUDIES, TRAINING OF TEACHERS; PROVIDED, FINALLY, THAT FOR THE PURPOSE OF HIRING TEACHERS CHARGEABLE AGAINST THE SEF IT SHALL BE IN ACCORDANCE WITH THE SELECTION AND PROMOTION SYSTEM OF THE DEPED SUCH AS RANKING AND LOCALIZATION AND THAT 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 ADMINISTRATIVE AND NON-TEACHING PERSONNEL IN PUBLIC ELEMENTARY AND SECONDARY SCHOOLS WHICH HAVE NOT BEEN PROVIDED SUCH POSITION IN THE DEPED BUDGET;
- “c. PAYMENT OF THE EXPENSES FOR THE OPERATION OF THE ALS PROGRAM WITHIN THE LGUS’ RESPECTIVE AREAS OF JURISDICTION; AND

- “d. PAYMENT FOR 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, LIBRARIES, ADMINISTRATION OFFICES, ASSEMBLY HALLS, AND OTHER FACILITIES AND IMPROVEMENTS 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 THE DEPED AND/OR DEPARTMENT OF PUBLIC WORKS AND HIGHWAYS;
 - “b. ACQUISITION AND TITLING OF SCHOOL SITES; AND
 - “c. ESTABLISHMENT AND MAINTENANCE OF EXTENSION CLASSES WHERE NECESSARY;
- “3. PROVISION FOR SCHOOL UNIFORMS AS MAY BE DETERMINED AND APPROVED BY THE LOCAL SCHOOL BOARD;
- “4. FACILITIES, EQUIPMENT AND VEHICLES
 - “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;

- “b. PROCUREMENT AND MAINTENANCE OF TRANSPORT VEHICLES, EQUIPMENT, AND APPARATUS EXCLUSIVELY FOR SCHOOL USE;
 - “c. PROCUREMENT AND INSTALLATION OF COMPUTER SOFTWARE AND HARDWARE;
 - “d. REPAIR AND MAINTENANCE OF ALL SUCH OTHER SCHOOL-RELATED EQUIPMENT AND FACILITIES
- “5 EDUCATION RESEARCH:
- “a. EDUCATIONAL RESEARCHES, TRAININGS, WORKSHOPS, OR CONFERENCES UNDERTAKEN OR ATTENDED TO BY TEACHERS AND STUDENTS, PROVIDED THAT SUCH IS NOT FUNDED IN THE DEPED BUDGET, SUBJECT TO THE PREVAILING POLICIES AND GUIDELINES OF THE DEPED;
- “6. 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; AND
 - “b. ACQUISITION AND/OR SUBSCRIPTION OF OTHER BOOKS, PERIODICALS, TEACHING AIDS, AND INSTRUCTIONAL MATERIALS;
- “7. 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, AND APPROVED BY THE LSB;
- “8. FUNDING FOR THE EARLY CHILDHOOD CARE AND DEVELOPMENT PROGRAM (ECCD)
 - “a. DIRECT SERVICES 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.
- “9. SUCH OTHER EXPENSES NECESSARY OR INCIDENTAL TO THE OPERATION AND MAINTENANCE OF PUBLIC SCHOOLS WHICH ARE NOT SUFFICIENTLY PROVIDED FOR IN THE REGULAR APPROPRIATION OF THE DEPED.

“THE RESPECTIVE LSBS OF A PROVINCE, CITY OR MUNICIPALITY WITHIN THE METRO MANILA AREA, INCLUDING THE LOCAL SCHOOL BOARD OF A COMPONENT MUNICIPALITY OF A PROVINCE SHALL DETERMINE THE SPECIFIC FUND ALLOCATION AS TO THE AMOUNT AND SCHEDULE OF DISBURSEMENT OF THE SPECIFIC USES OF THE SCHOOL BOARD FUND, BY VOTE OF THE MAJORITY OF THE QUORUM OF THE LSB CONCERNED; PROVIDED THAT THE RESPECTIVE LSBS SHALL BE AUTHORIZED TO EXTEND ASSISTANCE TO OTHER LSBS FOR THE PURPOSES PREVIOUSLY PROVIDED.

“A PROVINCE, CITY, OR MUNICIPALITY MAY USE THE SEF AS LOAN COLLATERAL IN OBTAINING A LOAN, CREDIT, OR INDEBTEDNESS FROM ANY FINANCIAL INSTITUTION, ENTITY, OR INTERMEDIARY; PROVIDED, THAT THE PURPOSE OF THE LOAN SHALL BE THE SAME AS THOSE STATED ABOVE AS ALLOWABLE USES FOR THE SEF; PROVIDED, FURTHER, THAT THE PROJECT TO BE FINANCED AND THE USE OF THE SEF AS COLLATERAL MUST BE APPROVED BY THE MAJORITY OF ALL THE MEMBERS OF THE LSB; PROVIDED, FURTHERMORE, THAT THE LOAN MUST BE INCLUDED IN THE LGU’S BUDGET WITH PROPER APPROPRIATIONS FOR THE PURPOSE; PROVIDED, FURTHERMORE, THAT THE LSB MUST AUTHORIZE THE TRANSFER OF THE SEF TO THE GENERAL FUND, TO THE EXTENT NEEDED TO AMORTIZE LOANS DULY INCURRED BY THE LGU; PROVIDED, FURTHERMORE, THAT THE PAYMENT OF THE PRINCIPAL INTEREST, AND/OR OTHER COSTS SHALL BE CHARGEABLE TO SEF OF THE BORROWING LOCAL GOVERNMENT; PROVIDED, FINALLY, THAT THE LENDER INSTITUTION OR FINANCIAL INTERMEDIARY PROVIDING OR ARRANGING THE LOAN OR CREDIT TO THE SCHOOL BOARD OF A PROVINCE, CITY, OR MUNICIPALITY WITHIN THE METRO MANILA AREA SHALL BE ENTITLED TO AN ASSIGNMENT OF THE CORRESPONDING PORTION OF THE FUND ACCRUING TO THE LSB CONCERNED WHICH SHALL CONSTITUTE A

PREFERRED OR PRIORITY LIEN OR ENCUMBRANCE ON SAID FUND, AND SAID LENDING INSTITUTION OR INTERMEDIARY SHALL BE ENTITLED TO DEBIT THE ACCOUNT DEPOSIT OR PLACEMENT OF THE BORROWING LSB AS AND WHEN PAYMENT SCHEDULE OF THE LOAN, CREDIT OR INDEBTEDNESS BECOME DUE AND PAYABLE, WITHOUT NEED OF FURTHER NOTICE OR DEMAND TO THE LSB, TO ENSURE TIMELY PAYMENT OF SUCH LIABILITIES OR OBLIGATIONS OF THE LSB CONCERNED.”

SEC. 6. *Implementing Rules and Regulations.* – Within ninety (90) days from the approval of this Act, the Department of the Interior and Local Government and the DepEd shall promulgate the rules and regulations implementing the provisions of this Act.

SEC. 7. *Repealing Clause.* – Sections 100, 235, and 272 of Republic Act No. 7160 are hereby amended.

All other laws, decrees, executive orders, and other administrative issuances and parts thereof which are inconsistent with the provisions of this Act are hereby amended, superseded, or repealed accordingly.

SEC. 8. *Separability Clause.* – Should any part of this Act be declared unconstitutional, the rest of the provisions of this Act shall continue to be in effect and subsisting.

SEC. 9. *Effectivity.* – This Act shall take effect fifteen (15) days following its publication in the *Official Gazette* or in at least two newspapers of general circulation.

Approved,