

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

TWENTIETH CONGRESS
First Regular Session

House Bill No. 1971



Introduced by Representative **MARCELINO R. TEODORO**

EXPLANATORY NOTE

This bill seeks to strengthen and expand government assistance programs for students and teachers in private educational institutions, building upon the foundations of Republic Act No. 6728, as amended by Republic Act No. 8545 (the "Expanded Government Assistance to Students and Teachers in Private Education Act," or E-GASTPE), and Republic Act No. 10931 (the "Universal Access to Quality Tertiary Education Act").

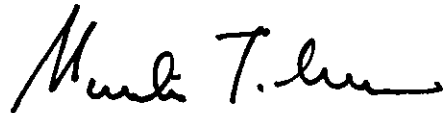
The necessity for this measure is underscored by the challenges faced by the Philippine education system. In 2020, during the initial year of the pandemic, private school enrollment saw a significant decline of 48%. This was further exacerbated by a substantial migration of teachers from private to public schools, impacting the quality and accessibility of education in private institutions. These circumstances highlight the urgent need for a more robust and responsive E-GASTPE program.

This bill aims to:

- **Expand Coverage:** Include kindergarten and elementary students, as well as students in higher education institutions, in private educational assistance programs.
- **Enhance Resource Accessibility:** Provide support for textbook assistance programs and expand the existing Educational Service Contracting (ESC) scheme.
- **Invest in Human Capital:** Fund initiatives for the upgrading of knowledge and teaching competencies and the upskilling of teachers in private basic educational institutions, through the Teachers' Salary Subsidy Fund.
- **Promote Holistic Development:** Provide government assistance to private basic educational institutions in areas such as academic leadership, good governance, school finance and administration, research and curriculum design, facilities and school improvement, and institutional development.

By enacting these provisions, this measure, which passed on Third Reading in the 19th Congress, will significantly contribute to making quality education more accessible to all and ensure the continued flourishing of the entire education sector, particularly private institutions, which play a vital complementary role in achieving the nation's educational goals.

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

A handwritten signature in black ink, appearing to read 'Marcelino R. Teodoro', with a stylized, flowing script.

MARCELINO R. TEODORO

Representative

1st District, Marikina City

Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City

TWENTIETH CONGRESS
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HOUSE BILL NO. 1971

Introduced by Representative **MARCELINO R. TEODORO**

AN ACT
ESTABLISHING THE PRIVATE BASIC EDUCATION VOUCHER PROGRAM,
PROVIDING FOR THE CREATION OF THE BUREAU OF PRIVATE EDUCATION,
AND APPROPRIATING FUNDS THEREFOR, REPEALING FOR THE PURPOSE
SECTIONS 2, 3, 4(2), 4(3), 5, 6, 7, 12, 14, AND 15 OF REPUBLIC ACT NO. 8545,
OTHERWISE KNOWN AS THE "EXPANDED GOVERNMENT ASSISTANCE TO
STUDENTS AND TEACHERS IN PRIVATE EDUCATION ACT, " WHICH AMENDED
REPUBLIC ACT NO. 6728, OTHERWISE KNOWN AS THE "GOVERNMENT
ASSISTANCE TO STUDENTS AND TEACHERS IN PRIVATE EDUCATION ACT"

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 "Private Basic Education Vouchers Assistance Act."

SEC. 2. *Declaration of Policy.* 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 such education accessible to all. As part of its mandate, it is the State's policy to establish and maintain a system of scholarship grants, subsidies, and other incentives that shall be available to deserving students, as determined by the guidelines, in both public and private schools, particularly for those from underprivileged backgrounds. Likewise, the State recognizes the complementary roles of public and private educational institutions in the educational system and the invaluable contributions that private schools have made and will make to education.

The State shall provide mechanisms to augment resources and enhance the quality of private basic education, specifically promoting the complementary roles of public and private schools, thereby recognizing the government's priority of providing basic elementary and secondary education to all Filipino students.

SEC. 3. Coverage. This Act shall cover all private basic education institutions that receive government assistance in the form of vouchers for qualified students, teachers, and schools. This covers all the years of basic education.

The programs of assistance for students under this Act shall be extended only to citizens of the Philippines.

SEC. 4. Criteria for Voucher Assistance. – The programs for voucher assistance shall be based on a set of criteria which include, among others, the following:

(a) *Criteria for Students.* The voucher assistance shall be given to students enrolled in private basic education schools, prioritizing those who are most vulnerable and underprivileged or those belonging to the bottom first to fifth income deciles, as determined by the Philippine Statistics Authority. Priority students shall receive a higher voucher amount, as determined by the Basic Education Assistance Council (BEAC).

(b) *Criteria for Schools.* The participating private basic education schools shall receive assistance based on Quality Assurance under Section 6 of this Act and the geographic spread and size of student enrollment, as likewise determined by the BEAC, except schools with gaps in resources and facilities which are located in geographically isolated and disadvantaged and conflict-affected areas (GIDCA) schools. Private schools shall undergo a process of recognition and periodic assessment to participate in voucher assistance programs.

SEC. 5. Empowering Student Choice. The Department of Education (DepEd) shall create a system that allows students and parents to select their preferred schools from a registry of participating recognized schools, subject to the availability of slots.

The registry of participating recognized private basic educational institutions shall include information about their schools, such as location, number of available slots, 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. 6. Quality Assurance. The DepEd shall establish, operate, and maintain a system and mechanism for monitoring program outcomes to ensure accountability of participating recognized private basic educational institutions. This covers the following areas:

(a) *Improved Student Performance.* Appropriate performance indicators to determine the extent and outcome of the government assistance and subsidies (GAS) programs, including youth literacy rates and national and international assessment scores, among others. For this purpose, the National Achievement Tests and all national

assessment examinations generally given by the DepEd shall be administered to all eligible students in all participating private basic education institutions;

(b) Improved Student Outcomes. Tracer system to collect and evaluate the career and employment path of its graduates;

(c) School Performance. School performance data indicating the mean, median, and mode of the scores of the students in the national examinations and such other measures of quality education delivery; and

(d) Priority Subsidy for Underprivileged Students. Distribution of the GAS programs while ensuring that funding is equitably allocated following the order of priority groups.

SEC. 7. *Other Forms of Assistance.* The following shall consist of assistance to private basic education institutions and teachers participating in the voucher program under this Act:

The forms of assistance granted to teachers in the participating recognized private basic education schools include:

- (a) In-service training fund for teachers in private basic education schools;
- (b) Scholarships for qualified private basic education teachers enrolled in quality graduate programs; and
- (c) Participation in government-funded in-service training for basic education teachers.

The DepEd may establish a program of assistance for the development of qualified, recognized private basic education schools to cover the following areas of school operation:

- (a) Institutional Development;
- (b) Organizational Development;
- (c) Human Resource Development;
- (d) Curriculum and Instructional Development;
- (e) Research and Planning; and
- (f) Facilities and School Improvement.

Consistent with Sec. 10 of Republic Act No. 10533, or the "Enhanced Basic Education Act of 2013", the DepEd, in consultation with the Department of Budget and Management (DBM), may develop other forms of financial arrangements and engage the services of private basic education schools based on the complementary roles of public and private institutions in the educational system.

SEC. 8. *Basic Education Voucher Program.* Under the basic education voucher program, kindergarten, elementary, and secondary students enrolled in recognized private basic education schools charging school fees shall be provided by the government with vouchers in such amount as may be determined by the DepEd: *Provided, That the amount shall not be less than the amount currently provided by the DepEd: Provided, That the government shall reimburse the vouchers from the schools concerned within sixty (60) days from the submission of complete documents, as required by the BEAC, to the DepEd.*

The budget for the basic education voucher program shall be equitably allocated and distributed among all regions, including the Bangsamoro Autonomous Region in Muslim Mindanao (BARMM), based on official data sources, such as congestion data and open seats, giving priority to underprivileged students.

Pursuant to Section 2(V), Article V of the Bangsamoro Organic Law, the Bangsamoro Government shall exercise its authority over education in areas under the BARMM. It shall directly implement the same program to be charged against its block grant. The DepEd shall provide technical assistance in the implementation of the GAS Program as needed.

Schools participating in the basic education voucher program may increase tuition on the condition that seventy percent (70%) of the amount of the tuition increases shall go to the payment of salaries, wages, allowances, and other statutory benefits of teaching and non-teaching personnel, except administrators who are principal stockholders of the school. They may be used to cover salary increases as provided for in the existing or in-force collective bargaining agreements at the time this Act is approved and made effective. At least twenty percent (20%) of the tuition increases shall be allocated to the improvement or modernization of buildings, equipment, libraries, laboratories, gymnasias, and similar facilities, as well as to the payment of other operational costs. For this purpose, schools shall maintain a separate record of accounts for all assistance received from the government, any tuition increases, and the detailed disposition and use thereof. This record shall be made available for periodic inspection as may be determined by the DepEd.

SEC. 9. *In-Service Training Fund or 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 training programs for the upgrading of knowledge and teaching competencies in critical subject areas and for the modernization of teaching techniques and strategies, including training on the use of computers and of other multi-media educational technologies to assist instruction: *Provided, That the amount of Inset Fund available to private basic education shall not exceed that available to public basic education as per capita basis: Provided, further, That the DepEd shall approve the training programs.*

SEC. 10. Teachers' Salary Subsidy Fund. A Teachers' Salary Subsidy Fund is hereby established in the DepEd to grant government subsidies to teachers in recognized private basic education schools participating in the programs of assistance under this Act: *Provided*, That the government shall provide the teachers with salary subsidy to be determined by the DepEd, 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 the teacher's salary subsidy received by the teacher shall form part of the exclusions from taxable gross income in accordance with Section 32(B)(7)(e) of the National Internal Revenue Code of 1997, as amended.

SEC. 11. Creation of the Bureau of Private Education. The Bureau of Private Education (BPE) under the DepEd shall be established to serve as the focal office for the administration, supervision, and regulation of all matters related to private basic education institutions, including government assistance and subsidies. It shall be headed by a Bureau Director.

It shall have the following powers and functions:

- (a) Monitor and assess the implementation of the private basic education institutions of the policies, plans, and programs established by the DepEd as recommended by BPE;
- (b) Set and enforce minimum standards for programs and institutions of learning, subject to public hearing;
- (c) Ensure that the activities, efforts, and performance of private basic education institutions shall meet the high standards of excellence and accountability;
- (d) Administer and implement the policies and programs related to the assistance and subsidies given by the government to students, teachers, and schools in private education;
- (e) Establish and support partnerships with individual private education institutions to respond effectively to the pressing needs of students and teachers and to provide learning solutions to underserved communities;
- (f) Monitor and ensure compliance of private basic education institutions with the promulgated rules and regulations of the DepEd in all matters concerning private schools, including tuition fee increases; and
- (g) Such other powers and functions as may be necessary for the effective and efficient implementation of this Act.

SEC. 12. Program Administration and Implementation. The BEAC shall be responsible for providing policy guidance and direction, as well as monitoring and evaluation of new and existing programs. The Government Assistance and Subsidies Service (GASS) under the BPE shall be responsible for the day-to-day administration and implementation of programs of assistance to private basic education.

The BEAC shall be composed of the Secretary of the DepEd as Chairperson, the Secretary of the Department of Economy, Planning, and Development (DEPDev), and the Secretary of the Department of Budget and Management (DBM) as members.

The alternate representative of the Chairperson shall possess the rank of an Undersecretary, while the alternate representatives of the members shall have the rank of not less than an Assistant Secretary to secure a quorum.

The BEAC shall meet, as needed, to assess the effectiveness of the programs under this Act and propose to Congress other forms of assistance for participating students and schools.

The GASS shall serve as the permanent secretariat for the implementation of the government assistance and subsidies programs under this Act.

The DepEd may engage the services of a third-party co-implementor for the government assistance and subsidies program under this Act.

SEC. 13. Appropriations. The amount necessary for the initial implementation of this Act shall be charged against the current year's appropriation of the DepEd. Thereafter, such amount shall be included in the annual General Appropriations Act.

SEC. 14. Penalties. In case of violation of this Act by a private school, the DepEd may bar, after due process, such school from participating in or benefiting from the programs of this Act, and from other programs of the DepEd, without prejudice to administrative and criminal charges that may be filed against the school or its responsible officers under existing laws.

SEC. 15. 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 2025-2026, as may be determined by the DepEd.

SEC. 16. Implementing Rules and Regulations. Within ninety (90) days from the approval of this Act, the DepEd shall, in consultation with the NEDA, the DBM, and other concerned stakeholders, including representatives from national associations of private basic education institutions, promulgate the rules and regulations implementing the provisions of this Act.

SEC. 17. Separability Clause. If any provision of this Act is held invalid or unconstitutional, the other provisions not so declared shall remain in full force and effect.

SEC. 18. Repealing Clause. Sections 2, 3, 4(2), 4(3), 5, 6, 7, 12, 14, and 15 of

Republic Act No. 8545, or the "Expanded Government Assistance to Students and Teachers in Private Education Act, which amended Republic Act No. 6728, or the "Government Assistance To Students and Teachers In Private Education Act", are hereby repealed. All other laws, decrees, orders, rules and regulations contrary to or inconsistent with the provisions of this Act are hereby repealed or amended accordingly.

SEC. 19. *Effectivity.* Notwithstanding the non-issuance of the implementing rules and regulations, this Act shall take effect fifteen (15) days after its publication in the *Official Gazette* or a newspaper of general circulation.

Approved,