

Republic of the Philippines
House of Representatives
Quezon City, Metro Manila

TWENTIETH CONGRESS

First Regular Session

House Bill No. **2270**



INTRODUCED BY REPRESENTATIVE PM VARGAS

AN ACT
REQUIRING FINANCIAL LITERACY AS A PART OF THE CURRICULUM OF
GRADE SCHOOLS AND HIGH SCHOOLS, AND APPROPRIATING FUNDS
THEREFOR

EXPLANATORY NOTE

In today's economic environment, financial literacy is an essential life skill that equips individuals with the knowledge and ability to make informed and effective decisions with their financial resources.

Studies, however, have shown that the majority of Filipinos lack basic financial knowledge. According to the 2018 Financial Literacy Survey by the Bangko Sentral ng Pilipinas (BSP), only 28% of adult Filipinos are considered financially literate, understanding fundamental concepts such as interest rates, inflation and risk diversification, leaving the country at the bottom 30 of 144 countries in terms of financial literacy. Furthermore, many Filipinos struggle with managing debts and savings, leading to poor money management and financial insecurity.

The youth in particular, are more vulnerable to financial mismanagement. The Philippine Statistics Authority in 2020 found that the majority of Filipino students have limited access to formal financial education, with only a small fraction receiving any structured lessons on budgeting, saving, or responsible borrowing.

The Department of Education (DepEd) recognizes the critical role of financial literacy on empowering students to understand concepts such as saving, investing, credit management and responsible spending. This bill proposes the integration of financial literacy into the K-12 curriculum to build a foundation of sound financial habits and decision-making skills early in life.

The proposed “Financial Literacy in Schools Act” aims to establish the foundation of the basic education curriculum on financial literacy to ensure students are equipped with knowledge on personal finance management, consumer rights, and financial products, allowing them to have better financial behaviours as adults.

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


REP. PM VARGAS
Fifth District, Quezon City

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

SECTION 1. *Short Title.* – This Act shall be known as the “*Financial Literacy in Schools Act.*”

SECTION 2. *Declaration of Policy.* – It is hereby declared the policy of the State to promote the financial well-being and responsible money management skills of the youth. To this end, the State shall integrate financial literacy into the curriculum of all K-12 students to equip them with the necessary knowledge and skills to make informed financial decisions.

SECTION 3. *Financial Literacy.* – For the purpose of this Act, financial literacy is the ability to understand and effectively use various financial skills, including personal financial management, budgeting, saving, investing, and understanding credit and debit. Financial literacy also includes knowledge of consumer rights, financial planning, and responsible borrowing.

SECTION 4. *Financial Literacy Education in Schools.* – All public and private K-12 schools shall include in their respective curriculum financial literacy for their learners.

The Department of Education (DepEd), in collaboration with the Bangko Sentral ng Pilipinas (BSP), the Department of Finance (DOF) and the Securities and Exchange Commission (SEC) shall develop a grade-appropriate Financial Literacy Curriculum conducive to K-12 learners which shall include, but not limited to, the following:

1. Basic money management and budgeting;
2. Saving and investment fundamentals;
3. Understanding credit, loans, and debt management;
4. Importance of financial goal setting and planning;
5. Consumer rights and protection;
6. Understanding banking services and financial products;
7. Managing risks through insurance;
8. Basic taxation;
9. Recognizing financial scams and fraud prevention;
10. Financial technology;

SECTION 5. *Implementing Rules and Regulations.* – The Department of Education (DepEd) in consultation with the BSP, the DOF and the SEC, shall promulgate the implementing rules and regulations (IRR) to implement the provisions of this Act.

SECTION 6. *Appropriations.* – The funds needed for the implementation of this Act shall be sourced from the budget of the Department of Education (DepEd).

SECTION 7. *Separability Clause.* – If any provision of this Act is held invalid or unconstitutional, the same shall not affect the validity and effectivity of the other provisions hereof.

SECTION 8. *Repealing Clause.* – All laws, decrees, executive orders, rules and regulations, and other issuances or parts thereof inconsistent with the provisions of this Act are hereby repealed or modified accordingly.

SECTION 9. *Effectivity.* – This Act shall take effect fifteen (15) days after its publication in the Official Gazette or in a newspaper of general circulation.

Approved,