

Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City

Twentieth Congress
First Regular Session

HOUSE BILL NO. 2371



Introduced by **Representative RAYMOND ADRIAN SALCEDA**

AN ACT
AMENDING SECTION 272 OF REPUBLIC ACT NO. 7160, OTHERWISE KNOWN
AS THE “LOCAL GOVERNMENT CODE OF 1991,” TO ALLOW THE LIMITED
UTILIZATION OF THE SPECIAL EDUCATION FUND FOR QUALIFIED
PRIVATE SCHOOLS PARTICIPATING IN BASIC EDUCATION DELIVERY, AND
FOR OTHER PURPOSES

EXPLANATORY NOTE

The equitable distribution of educational resources is critical to ensuring that every Filipino child has access to quality education, regardless of their socioeconomic background or geographic location. While the government has made significant strides in expanding public education services through the Special Education Fund (SEF), challenges persist in addressing overcrowded public schools and the varying needs of students in different communities.

According to the Department of Education (DepEd), public schools in urban areas, particularly in highly populated localities, continue to face significant challenges in accommodating the growing number of students. For instance, the PSA’s 2020 Census of Population and Housing reports that the country’s urban population has been steadily increasing, which has resulted in higher enrollment rates in public schools, further straining resources. In contrast, private schools, particularly those that participate in the Government Assistance to Students and Teachers in Private Education (GASTPE) program, play a crucial role in alleviating the pressure on public schools by offering government-subsidized basic education services to learners who would otherwise be enrolled in overcrowded or under-resourced public institutions.

However, despite their significant contribution to the country's educational system, many of these private institutions continue to face financial constraints. To address this, the Special Education Fund Equity Act seeks to amend Section 272 of the Local Government Code of 1991, allowing Local Government Units (LGUs) to allocate up to 20% of their SEF to support qualified private educational institutions that deliver government-subsidized basic education services in their respective localities.

This bill aims to:

1. **Support Educational Equity:** By providing additional financial support to qualified private schools that deliver education to students in underserved areas, the bill helps ensure that all children have access to quality education, especially in areas where public schools are overwhelmed.
2. **Promote Learning Continuity:** The financial support from the SEF can be directed towards improving learning continuity programs, which became even more critical during the COVID-19 pandemic. It will assist in implementing alternative learning modalities, which will help ensure that education continues, even in times of disruption.
3. **Enhance Teacher Training:** The bill allocates funds for teacher training and development, enabling private schools to equip their educators with the skills necessary to meet the evolving demands of modern education, in line with the Department of Education's curriculum standards.
4. **Improve Educational Facilities:** The allocation may also be used to enhance educational materials and improve the facilities of private schools, ensuring that students have access to conducive learning environments, regardless of whether they attend public or private institutions.
5. **Address Infrastructure Needs:** By providing support for facilities improvement, this bill seeks to address the infrastructural challenges faced by many private schools, particularly those in rural and underserved areas, thus contributing to the overall improvement of the country's education infrastructure.

The bill ensures that only private schools that are duly recognized by the Department of Education (DepEd) and receive government subsidies for students are eligible for this support. These schools must also meet the criteria set by the DepEd to ensure that the allocated funds are used effectively for the benefit of students who would otherwise be in overburdened public schools.

The bill also emphasizes accountability in the use of these funds. The local school boards will be required to approve any allocation by resolution, and the disbursements will be subject to auditing rules, with annual reports submitted to DepEd, DILG, and the Commission on Audit (COA) to ensure transparency.

By aligning the financial support to private schools with the overarching goals of the DepEd and maintaining rigorous monitoring systems, the bill aims to contribute to a more inclusive education system. It also ensures that private educational institutions, particularly those serving marginalized communities, are empowered to continue providing essential services to Filipino students.

In view of the growing demand for quality education and the increasing pressures faced by public schools, the Special Education Fund Equity Act represents an important step toward building a more equitable, effective, and resilient educational system in the Philippines.

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



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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 "Special Education Fund Equity Act."

SEC. 2. – Section 272 of Republic Act No. 7160, otherwise known as the "Local Government Code of 1991," is hereby amended to read as follows:

SEC. 272. Special Education Fund. — The proceeds from the additional one percent (1%) tax on real property to accrue to the Special Education Fund shall be automatically released to the local school boards:

The proceeds shall be allocated for 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.

IN ADDITION, AND SUBJECT TO PRIOR ENDORSEMENT BY THE DEPARTMENT OF EDUCATION, LOCAL GOVERNMENT UNITS MAY ALLOCATE UP TO TWENTY PERCENT (20%) OF THE SPECIAL EDUCATION FUND TO SUPPORT QUALIFIED PRIVATE EDUCATIONAL INSTITUTIONS THAT DELIVER GOVERNMENT-SUBSIDIZED BASIC EDUCATION SERVICES WITHIN THE LOCALITY. SUCH SUPPORT MAY INCLUDE ASSISTANCE FOR LEARNING CONTINUITY PROGRAMS, TEACHER TRAINING, EDUCATIONAL MATERIALS, REMEDIAL AND TUTORIAL INSTRUCTION, OR FACILITIES IMPROVEMENT, PROVIDED SUCH INTERVENTIONS DIRECTLY BENEFIT SUBSIDIZED LEARNERS.

FOR PURPOSES OF THIS PROVISION, QUALIFIED PRIVATE EDUCATIONAL INSTITUTIONS SHALL REFER TO SCHOOLS DULY RECOGNIZED BY THE DEPARTMENT OF EDUCATION THAT RECEIVE PER-STUDENT GOVERNMENT SUBSIDIES TO ENROLL BASIC EDUCATION LEARNERS WHO WOULD OTHERWISE BE SERVED BY CONGESTED OR UNDER-RESOURCED PUBLIC SCHOOLS.

THE LOCAL SCHOOL BOARD SHALL APPROVE ANY SUCH ALLOCATION BY RESOLUTION, AND THE SCHOOLS DIVISION SUPERINTENDENT SHALL ENSURE ALIGNMENT WITH DEPARTMENT OF EDUCATION POLICIES AND CURRICULUM STANDARDS. ALL DISBURSEMENTS SHALL BE SUBJECT TO AUDITING RULES AND SHALL BE REPORTED ANNUALLY TO THE DEPARTMENT OF EDUCATION, THE DEPARTMENT OF THE INTERIOR AND LOCAL GOVERNMENT, AND THE COMMISSION ON AUDIT.

SEC. 3. *Implementing Rules and Regulations.* – Within ninety (90) days from the effectivity of this Act, the Department of Education, in coordination with the Department of Budget and Management (DBM), the Department of the Interior and Local Government (DILG), and the Union of Local Authorities of the Philippines (ULAP), shall issue the necessary implementing rules and regulations.

SEC. 4. *Separability Clause.* – If any provision of this Act is declared unconstitutional or invalid, the other provisions not affected thereby shall remain in full force and effect.

SEC. 5. *Repealing Clause.* – All laws, decrees, executive orders, rules and regulations inconsistent with this Act are hereby repealed or modified accordingly.

SEC. 6. *Effectivity.* – This Act shall take effect fifteen (15) days after its publication in the *Official Gazette* or in a newspaper of general circulation.

Approved,