



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

Twentieth Congress
First Regular Session



HOUSE BILL NO. **4258**

Introduced by Representatives Yedda Marie K. Romualdez, Andrew Julian K. Romualdez, and Jude A. Acidre

AN ACT
MANDATING THE INCLUSION OF A PERSONAL FINANCIAL LITERACY COURSE IN THE TECHNICAL-VOCATIONAL EDUCATION AND TRAINING CURRICULUM OF TECHNICAL-VOCATIONAL INSTITUTIONS AND TECHNICAL EDUCATION AND SKILLS DEVELOPMENT AUTHORITY TRAINING CENTERS

EXPLANATORY NOTE

In 2016, Republic Act No. 10922, otherwise known as the "*Economic and Financial Literacy Act*," was enacted to mandate the State to develop national consciousness on economic and financial literacy and declare the second week of November of every year as "*Economic and Financial Literacy Week*." In acknowledging that the nation's growth can be advanced by a financially literate citizenry capable of making prudent financial choices, the law mandates Technical Education and Skills Development Authority (TESDA), among other government agencies, to conduct consciousness-raising and knowledge-expanding activities on economic and financial literacy including the setting up of literature corners, organizing fora, trainings, and conducting basic economic and financial management classes. In furtherance of this, this proposed bill seeks to mandate the inclusion of a personal financial literacy course in the technical-vocational (tech-voc) education and training curriculum of technical-vocational institutions and TESDA training centers.

The 2021 Bangko Sentral ng Pilipinas (BSP) Financial Inclusion Survey (FIS) shows that only 2% of adults correctly answered all six basic financial

literacy questions.¹ Further, a study by the World Bank in 2022 found that only 25% of adult Filipinos are knowledgeable about basic financial concepts.²

These gaps matter even more for tech-voc learners, who often transition to paid work earlier than their peers in higher education. While the Department of Education has adopted a Financial Education Policy³ integrating finance topics across K–12, there is no statutory requirement to deliver a dedicated, standards-based personal financial literacy course in the TVET curriculum. Existing efforts, such as TESDA's online financial literacy modules⁴ developed with BSP and Banco de Oro Foundation, are valuable but non-mandatory and non-systemic, reaching only those who opt in.

To address this, proposed measure will (i) require technical-vocational institutions and TESDA training centers to integrate financial education alongside practical technical-vocational skills; (ii) equip students with essential knowledge on managing personal finances, wealth planning, and making sound financial decisions as they enter the workforce; (iii) expand access to personal financial literacy courses to help Filipinos avoid fraud, practice financial discipline, use credit responsibly, and build savings for education or retirement.

Principally authored by Bukidnon, 1st District Representative Jose Manuel F. Alba, this measure was approved by the House on Third Reading during the 19th Congress.

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



YEDDA MARIE K. ROMUALDEZ

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https://www.bsp.gov.ph/Media_And_Research/Financial%20Inclusion%20Dashboard/2021/FIDashboard_4Q2021.pdf

²

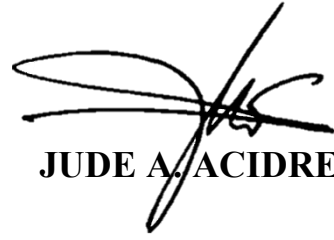
<https://www.bsp.gov.ph/SitePages/MediaAndResearch/SpeechesDisp.aspx?ItemId=993#:~:text=The%20World%20Bank%20found%20that,countries%20surveyed%20on%20financial%20literacy.>

³ https://www.deped.gov.ph/wp-content/uploads/2021/06/DO_s2021_022.pdf

⁴ <https://www.tesda.gov.ph/Media/NewsDetail/20376>



ANDREW JULIAN K. ROMUALDEZ



JUDE A. ACIDRE



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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 "*Personal Financial Literacy Course in the Technical-Vocational Education and Training (TVET) Curriculum Act.*"

Section 2. *Declaration of Policy.* – Recognizing financial literacy as an essential life skill, as well as the complementary role of financial education in promoting the economic well-being of Filipinos, it is hereby declared a policy of the State to establish a strong foundation of financial literacy of students, trainees, and employees in order to create a more skilled, knowledgeable, and well-informed future generation of Filipinos.

To this end, the State also seeks to broaden and strengthen TVET programs, including financial education and literacy, to enable technical-vocational (tech-voc) students to develop the appropriate skills to make well-informed financial decisions, and desirable work habits upon employment in the industries.

Section 3. *Objectives.* – This Act shall have the following objectives:

- a) To ensure that technical-vocational institutions (TVIs) and Technical Education and Skills Development Authority (TESDA) training centers shall provide the necessary financial education to tech-voc students while at the same time helping them learn and develop other practical tech-voc skills and competencies;
- b) To equip the students with basic knowledge and additional skills on wealth management and contingency planning, especially in properly handling their personal finances, prepare them to make well-informed financial decisions upon entering the workforce, and help them master financial literacy as an important life skill in their day-to-day transactions and other activities;
- c) To broaden the opportunities and venues for the teaching of a personal financial literacy course to strengthen financial education among Filipinos so they can avoid financial frauds, develop financial discipline, use debt responsibly and save for education or retirement so they can avoid financial frauds, use debt responsibly, and save for education or retirement.

Section 4. *Mandatory Inclusion of Personal Financial Literacy Course in the TVET Curriculum.* – All public and private TVIs and TESDA training centers are mandated to offer a Personal Financial Literacy Course (PFLC) to tech-voc students as part of the TVET curriculum. It shall focus solely on personal finance based on the policies, guidelines, and standards set jointly by the TESDA, the *Bangko Sentral ng Pilipinas* (BSP), Department of Finance (DOF), Securities and Exchange Commission (SEC), and the Insurance Commission (IC).

A passing grade in the PFLC shall be required for graduation or completion of the course.

Section 5. *Contents of Personal Financial Literacy Course.* – The PFLC shall provide instructions on personal financial literacy and shall include the following contents:

- (a) Concept of personal finance;
- (b) Time value of money;
- (c) Consumer behavior in the context and culture of the Philippines;
- (d) Debt management and rehabilitation;
- (e) Savings, emergency, and resilience fund development;
- (f) Investment concepts and planning;
- (g) Retirement planning;

- (h) Insurance planning;
- (i) Credit scoring and credit reports;
- (j) Concept of financial education;
- (k) Pertinent topics on effective utilization of digital payment platforms, such as modules on observing cyber-hygiene to help safeguard cybersecurity, data integrity, and consumer protection in adopting digital financial services; and
- (l) Other financial literacy issues and concerns.

Section 6. *Roles of Government Agencies, Offices, and Instrumentalities.*

- The TESDA shall collaborate with the BSP, DOF, SEC, and the IC in developing academic standards, curricula, and materials for the PFLC. These agencies shall issue jointly the proper guidelines for this purpose.

The content of the PFLC shall be aligned with the standards set by the aforementioned agencies.

Section 7. *Implementing Rules and Regulations.* – Within ninety (90) days after the effectivity of this Act, the TESDA shall, in consultation with the BSP, DOF, and other relevant stakeholders, issue rules and regulations for the effective implementation of this Act.

Section 8. *Separability Clause.* – In the event any of the provisions of this Act is declared unconstitutional, the validity of the other provisions shall not be affected by such declaration.

Section 9. *Repealing Clause.* – All other laws, decrees, orders, rules and regulations or parts thereof inconsistent with this Act are repealed or modified accordingly.

Section 10. *Effectivity.* – This Act shall take effect fifteen (15) days after its publication in the *Official Gazette* or in a newspaper of general circulation.

Approved,