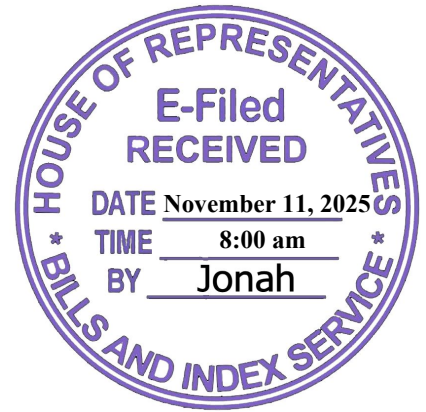


Republic of the Philippines
HOUSE OF REPRESENTATIVES
Constitution Hills, Quezon City

TWENTIETH CONGRESS
First Regular Session

House Bill No. **5790**



Introduced by: **REPRESENTATIVE ERIC L. OLIVAREZ**

AN ACT
INTEGRATING A GRASS ROOTS FINANCIAL AND ECONOMIC
LITERACY PROGRAM AS AN ADDITIONAL CRITERION IN THE
DETERMINATION OF GRANTING A SEAL OF GOOD LOCAL
GOVERNANCE, AMENDING FOR THE PURPOSE REPUBLIC ACT
NO.11292 OR THE SEAL OF GOOD LOCAL GOVERNANCE ACT OF
2019

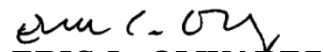
EXPLANATORY NOTE

Poverty remains one of the country's most persistent challenges, particularly in communities with limited access to financial knowledge and opportunities for economic growth.

In support of Sustainable Development Goal (SDG) No. 1: No Poverty, and recognizing the vital role of local governance in promoting inclusive and sustainable development, this measure seeks to amend Section 7 of Republic Act No. 11292, or the "*Seal of Good Local Governance Act of 2019*," by adding a new criterion requiring the implementation of a Grassroots Financial and Economic Literacy Program.

The program aims to empower citizens through practical financial education on budgeting, saving, responsible borrowing, investment, entrepreneurship, and long-term financial planning. By doing so, local government units (LGUs) shall not only deliver public services but also foster financially capable and resilient communities.

Integrating financial literacy into the Seal of Good Local Governance highlights that *good governance must also be economically empowering*. It promotes fiscal responsibility and inclusive growth, helping break the cycle of poverty through informed community participation.


ERIC L. OLIVAREZ

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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 **“Grassroots Financial and Economic Literacy Integration Act.”**

Section 2. Declaration of Policy.- It is hereby declared the policy of the State to promote inclusive growth, strengthen local governance, and empower citizens through financial literacy and economic education. Local Government Units (LGUs) shall serve as catalysts in building financially capable and economically resilient communities, consistent with the principles of transparency, accountability, and participatory governance embodied in the Seal of Good Local Governance.

Section 3. Amendment to Section 7 of Republic Act No. 11292. Section 7 of Republic Act No. 11292, otherwise known as the *“Seal of Good Local Governance Act of 2019,”* is hereby amended to read as follows:

“SEC. 7. Criteria for the Seal of Good Local Governance. — To qualify for the Seal of Good Local Governance (SGLG), a local government unit must pass all the core areas and essential areas prescribed by the Department of the Interior and Local Government (DILG). These include, but are not limited to:

- a) Financial administration and sustainability;
- b) Disaster preparedness;
- c) Social protection and sensitivity;

- d) Health compliance and responsiveness
- e) Sustainable education;
- f) Business-friendliness and competitiveness;
- g) Safety, peace and order;
- h) Environmental management;
- i) Tourism, heritage development, culture, and the arts;
- j) Youth development; **and**
- k) Grassroots Financial and Economic Literacy Program.**

The DILG, in coordination with the Bangko Sentral ng Pilipinas (BSP), Department of Finance (DOF), Department of Education (DepEd), and other relevant agencies, shall develop and issue the implementing guidelines for the Grassroots Financial and Economic Literacy Program.

Such program shall include, but not be limited to, the conduct of community-based financial education sessions, livelihood and entrepreneurship orientations, and information campaigns promoting responsible financial behavior, savings, investment planning, and economic participation among citizens.

The criteria and indicators shall be periodically reviewed and updated to reflect evolving local governance challenges and development priority.

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

Section 5. Repealing clause. All orders, issuances, rules and regulations or parts thereof that are contrary to, or inconsistent with, the provisions of this Act are hereby repealed, modified or amended accordingly. This Act is consistent with and shall not supplant the other streamlining initiatives of the government covered by previously issued executive orders.

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

Approved,