



Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City



TWENTIETH CONGRESS
First Regular Session

HOUSE BILL NO. 8659

Introduced by Representatives **ANTONINO B. ROMAN III**

EXPLANATORY NOTE

Despite the enactment of Republic Act No. 9155, otherwise known as the “Governance of Basic Education Act of 2001,” the Philippine basic education system remains characterized by a highly centralized framework, with administrative prerogative and financial control concentrated within the Department of Education (DepEd) Central Office. As the largest bureaucratic entity in the Philippines, DepEd is responsible for the operation of over 45,000 public schools, the management of over 875,000 teaching personnel, and the education of approximately 27 million learners. This monolithic structure stymies innovation, responsiveness, and local accountability—deficiencies explicitly underscored in the findings of the Second Congressional Commission on Education (EDCOM II).

The EDCOM II reports emphasize the urgent need to fully operationalize shared governance and decentralize basic education management to catalyze improvements in learning outcomes. While mechanisms such as School-Based Management (SBM) and Local School Boards (LSBs) are existing, their implementation remains inconsistent and hampered by a lack of statutory authority, fiscal autonomy, and institutional support for Field Offices, schools, and Local Government Units (LGUs).

This bill seeks to amend RA 9155 to provide precise legal definitions and mandates for the deconcentration of functions within DepEd and the phased devolution of specific powers to LGUs. It institutionalizes a Decentralization and Shared Governance Office, augments the authority of school heads, mandates the equitable allocation of SBM funding, and empowers LGUs to assume a more substantive role in education governance. Furthermore, it authorizes the creation of Pilot Locally-led Education Zones to facilitate innovative governance paradigms outside existing frameworks, while simultaneously mandating robust monitoring, evaluation, transparency, and systemic change management mechanisms.

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

ROMAN T. ROMULO

ANTONINO B. ROMAN III



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HOUSE BILL NO. 8659

Introduced by Representatives **ROMAN T. ROMULO & ANTONINO B. ROMAN III**

**AN ACT STRENGTHENING THE DECENTRALIZED GOVERNANCE
OF BASIC EDUCATION, AMENDING FOR THE PURPOSE REPUBLIC ACT
NO. 9155, OTHERWISE KNOWN AS THE "GOVERNANCE OF BASIC
EDUCATION ACT OF 2001," AND PROVIDING FUNDS THEREFOR**

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 “Strengthened Shared Governance of Basic Education Act.”

SECTION 2. Declaration of Policy. – It is hereby declared the policy of the State to ensure the delivery of quality, accessible, relevant, inclusive, and liberating basic education through a system of responsive and decentralized shared governance. Toward this end, the State shall institutionalize shared governance by clarifying institutional roles, augmenting local accountability and capacity, empowering individual schools, and fostering the active participation of communities and local government units in education management.

SECTION 3. Definition of Terms. – For purposes of this Act, the following terms are hereby defined:

- (a) **Deconcentration** – refers to a form of decentralization involving the transfer of functions or the delegation of administrative authority from the DepEd Central Office to Regional Offices, Schools Division Offices, Schools, and Alternative Learning System (ALS) Learning Centers (collectively referred to herein as “field offices”) on matters that are most effectively managed at the sub-national and grassroots levels.
- (b) **Devolution** – refers to a form of decentralization involving the legal transfer of powers, responsibilities, and resources from the DepEd Central Office to Local Government Units (LGUs).
- (c) **Locally-led Education Zones (LEZs)** – refers to designated LGUs authorized to pilot alternative education governance models, fiscal mechanisms, and governance innovations under the regulatory oversight of DepEd.

- (d) **Local School Board (LSB)** – refers to the local special body created under Republic Act No. 7160, otherwise known as the “Local Government Code of 1991,” which is primarily responsible for the allocation and oversight of the Special Education Fund (SEF); Provided, That for purposes of this Act, its participatory, planning, and oversight functions, as well as its representation mechanisms, may be strengthened in accordance with this Act and its implementing rules.
- (e) **School-Based Management (SBM)** – refers to a strategy for decentralizing decision-making authority to the school level to enhance accountability, transparency, and learning outcomes.
- (f) **School Governance Council (SGC)** – refers to a representative body composed of school officials, parents, learners, community members, and other stakeholders tasked with the review and approval of School Improvement Plans (SIPs) and the oversight of school performance.
- (g) **Shared Governance** – refers to the principle which recognizes that every unit in the education bureaucracy—including DepEd, LGUs, and other relevant national government agencies—has distinct roles, functions, and responsibilities for which they are principally accountable regarding educational outcomes.

SECTION 4. Amendment to Section 2 of R.A. No. 9155. – The third paragraph of Section 2 of Republic Act No. 9155 is hereby amended to read as follows:

SEC. 2. Declaration of Policy. – x x x

THE GOVERNANCE OF BASIC EDUCATION SHALL BE EXERCISED THROUGH A DECENTRALIZED AND SHARED GOVERNANCE FRAMEWORK ACROSS THE NATIONAL, REGIONAL, DIVISION, SCHOOL, AND LOCAL GOVERNMENT LEVELS; PROVIDED THAT THE STATE SHALL ENSURE THE EFFECTIVE DECENTRALIZATION OF EDUCATION GOVERNANCE THROUGH THE COMPLEMENTARY EXERCISE OF DECONCENTRATION AND DEVOLUTION.

SECTION 5. Roles and Responsibilities. – To operationalize the principles of decentralization and shared governance, the following roles and responsibilities are hereby established, augmenting the provisions of Section 7 of Republic Act No. 9155:

- (a) **Central Office** – shall provide overall policy direction and national leadership for the basic education system; establish national standards for curriculum, learning outcomes, teacher development, and governance; develop systems for planning, financing, monitoring, and accountability; ensure equitable allocation of resources across regions; and enable the effective decentralization of decision-making to field offices while maintaining national coherence and quality standards;
- (b) **Regional Office** – shall oversee and support the implementation of national education policies within their respective regions; provide technical assistance and capacity development to Schools Division Offices; ensure alignment of regional education priorities with national goals; and monitor division performance and system outcomes;
- (c) **Division Office** – shall manage program implementation, oversee school operations, provide direct field support, ensure data-driven planning and performance management, facilitate equitable resource distribution, support school

improvement, and coordinate with LGUs and local stakeholders for area-based education strategies; and

- (d) **Schools** – shall exercise appropriate autonomy over school-based planning, budgeting, personnel deployment inputs, learning recovery strategies, stakeholder engagement, and the attainment of learning outcomes, consistent with national standards and accountability mechanisms.

SECTION 6. Decentralization and Shared Governance Office. – A Decentralization and Shared Governance Office (DSGO) is hereby created within the Department of Education under the Office of the Secretary to spearhead and coordinate decentralization reforms, oversee the monitoring of deconcentration and devolution efforts, and submit annual progress reports to Congress and relevant stakeholders.

The DSGO shall have a specific and time-bound mandate to oversee the full institutionalization of decentralization and shared governance. It shall be dissolved within ten (10) years from the effectivity of this Act or upon a formal determination by Congress, based on the recommendation of DepEd and relevant oversight bodies, that decentralization reforms have been fully institutionalized, whichever comes earlier.

SECTION 7. Institutionalization of School-Based Management (SBM). – The Department of Education shall institutionalize SBM in all public schools by:

- (a) Ensuring that school heads, as administrative and instructional leaders, possess expanded authority over school-level planning, resource management, and the supervision of teaching and learning, consistent with national education standards;
- (b) Establishing a dedicated SBM Fund, separate and distinct from the Maintenance and Other Operating Expenses (MOOE), based on an allocation formula that considers enrollment, equity considerations, and identified school needs, subject to strict transparency and accountability protocols and guidelines issued by DepEd in consultation with the Department of Budget and Management (DBM);
- (c) Conducting a comprehensive review and rationalization of existing policies, and the repeal or amendment of those inconsistent with the principles of school autonomy, participatory governance, and decentralized decision-making;
- (d) Strengthening the role of School Governance Councils (SGCs) by mandating their participation not only in the approval of School Improvement Plans (SIPs) but also in the monitoring of their implementation and results;
- (e) Establishing school-level transparency and accountability mechanisms, including publicly accessible information on school performance, resource utilization, and implementation of the SIPs;
- (f) Requiring schools to maintain school-level data systems to support evidence-based planning, monitoring of learner outcomes, and timely identification of learning gaps, dropout risks, and access barriers;
- (g) Authorizing schools, subject to standards and guidelines issued by the Department, to design and implement context-responsive interventions to address local learning needs, improve learning recovery, and expand access to education;

- (h) Providing school heads and relevant personnel with capacity-building support in planning, financial management, procurement compliance, and performance monitoring; and
- (i) Ensuring that schools are provided with adequate administrative and financial management support personnel to enable school heads to focus on instructional leadership and learning outcomes.

SECTION 8. Strengthening Local Governance in Education. – Local Government Units (LGUs) shall serve as active co-implementers of education services. Their roles shall include the following:

- (a) LGUs, through their respective LSBs, shall harmonize local development plans with the strategic plans of DepEd field offices to:
 - 1. Ensure alignment of desired outcomes, programming and resourcing priorities; and
 - 2. Identify opportunities for complementarity by mapping resources against the needs of the learner population in their respective jurisdictions.
- (b) As a supplement to Section 272 of Republic Act No. 7160 and its Implementing Rules and Regulations, Local Government Units, through their respective Local School Boards, shall utilize the Special Education Fund (SEF) to support the delivery and improvement of basic education services in accordance with the Omnibus Guidelines on the Use of the Special Education Fund (Joint Memorandum Circular No. 01, s. 2025) issued by the Department of Education, Department of Budget and Management, Department of the Interior and Local Government, and Department of Finance, and such subsequent guidelines as may be promulgated.

In utilizing the SEF, Local School Boards shall prioritize investments that strengthen school-based management, improve learning environments, support teacher development, address learning gaps among learners, and enhance local education governance, consistent with national education priorities and applicable government rules and regulations.

- (c) The institutionalization of LGU-DepEd, through their respective field offices, agreements for the co-delivery of programs through innovative fiscal and administrative arrangements with the private sector, civil society, and multilateral agencies.
- (d) In addition to the Special Education Fund, LGUs may mobilize and allocate resources to support basic education programs from the following sources, subject to existing laws, rules, and regulations:
 - 1. Appropriations from the Local Government Unit's General Fund;
 - 2. Grants, assistance, and transfers from the National Government;
 - 3. Grants and technical assistance from development partners, multilateral institutions, and international organizations;
 - 4. Donations, endowments, and contributions from private individuals or entities;

5. Partnerships with civil society organizations and non-government organizations; and
6. Public-Private Partnerships and other collaborative arrangements consistent with applicable procurement and partnership regulations.

SECTION 9. Pilot Locally-led Education Zones (LEZs). – DepEd, acting through the DSGO, is hereby authorized to designate selected LGUs as LEZs for the purpose of piloting innovative models of decentralization.

LEZs are recognized as the first phase of devolution where innovations on shared education governance are tested for five (5) years in select LGUs that have signified interest and demonstrated track record.

Such LEZs shall serve as testing grounds for alternative governance structures, flexible budgeting and procurement arrangements, community-driven planning, and context-based program implementation. The establishment and operation of LEZs shall be guided by clear selection criteria, subject to regular monitoring and evaluation, and remain under the policy oversight of DepEd.

The selection of LEZs shall not be limited to LGUs with high institutional capacity or high-income classification. It shall explicitly include willing LGUs, including small and resource-constrained municipalities, that demonstrate a proven track record of commitment to education. For the purpose of this Act, such track record may be evidenced by indicators such as, but not limited to:

- (a) High and efficient utilization rates of the Special Education Fund (SEF) and other education-related local funds relative to the LGU's total budget;
- (b) Regular, functional, and well-documented Local School Boards (LSBs) and School Governance Councils (SGCs) processes, including agenda-setting, resolution tracking, and meaningful stakeholder participation;
- (c) Evidence of LGU–DepEd joint planning, budgeting, and program implementation arrangements at the division or school level;
- (d) Previous implementation of localized education initiatives, even if small-scale, such as community learning hubs, local teacher support programs, or indigenous learning materials;
- (e) Consistency in meeting basic education targets, such as improved enrollment or cohort survival rates, relative to the LGU's specific socio-economic context;
- (f) The existence of, or commitment to establish, a dedicated Local Education Office or permanent education focal unit within the LGU to coordinate education programs;
- (g) Willingness of the LGU to provide local counterpart resources, including funding, personnel, or administrative support beyond the Special Education Fund;
- (h) A formal Expression of Intent from the Local Chief Executive and the Sanggunian demonstrating a readiness to undergo institutional transformation;

- (i) Established mechanisms for transparency, citizen feedback, and public accountability in education governance; and
- (j) Other community-led or LGU-initiated education interventions that demonstrate a high degree of local accountability and resourcefulness.

The DSGO shall provide specialized technical assistance, modular capacity-building interventions, and administrative "twinning" or mentoring support to participating LGUs, particularly those with limited institutional capacity, in order to strengthen local education governance and ensure the effective implementation of LEZ initiatives.

LEZs may be granted regulatory flexibility from selected DepEd policies, subject to guidelines issued by DepEd and consistent with existing national laws, civil service rules, and national curriculum standards.

Participating LEZs shall be eligible for equitable funding from the National Treasury for capacity-building and other investments needed to improve quality and accessible basic education services.

SECTION 10. Curriculum Enhancement and Development of Localized Learning Materials. – In support of contextualized and responsive education, the Department of Education, in partnership with Local Government Units, schools, and community stakeholders, shall promote the development and use of localized teaching materials and instructional resources consistent with national curriculum standards.

- (a) Contextualized Learning Resources. – Schools and local education partners may develop instructional modules, lesson plans, teacher guides, and student learning materials that are performance-based and reflective of local history, culture, environment, and socio-economic contexts, while remaining aligned with the standards and competencies prescribed by the Department of Education.
- (b) Curriculum Enrichment. – The curriculum shall be enhanced through a unified and multi-layered approach that deepens learners' understanding across grade levels and subject areas while promoting critical thinking, problem-solving, and contextualized learning.
- (c) Capacity-Building for Educators. – The Department of Education, through appropriate training institutions, shall conduct professional development programs for teachers and school leaders to support the effective delivery of contextualized curriculum and the use of locally developed instructional materials.
- (d) Linguistic Inclusivity and Accessibility. – Instructional materials developed under this Act shall promote linguistic inclusivity and accessibility, including translation into local languages where appropriate and adaptation for learners with disabilities and diverse learning needs.
- (e) Community Participation in Curriculum Development. – Local communities, barangays, civil society organizations, indigenous peoples' representatives where applicable, and other education stakeholders may be engaged in the development, validation, and contextualization of educational materials and approaches to ensure that curriculum implementation reflects local realities.
- (f) Monitoring and Evaluation. – The Department of Education, through the Schools Division Office, shall establish mechanisms to monitor and evaluate the

implementation of localized curriculum initiatives, including assessment of learning outcomes, teacher feedback, and program effectiveness, to ensure continuous improvement.

SECTION 11. Community Participation and Transparency. – To promote participatory governance, transparency, and community accountability, the following mechanisms are hereby mandated:

- (a) The conduct of annual public consultations and education report presentations at the school and school division levels to inform stakeholders of education priorities, resource utilization, and learning outcomes;
- (b) The full operationalization of School Governance Councils (SGCs) in all public schools;
- (c) The establishment of institutionalized school–community partnership platforms at the school and local levels involving Local Government Units, parents, learners, civil society organizations, youth groups, indigenous peoples’ representatives where applicable, and other education stakeholders;
- (d) The conduct of periodic joint education planning and review sessions between DepEd field offices, LSBs, and community stakeholders to align priorities, review progress, and strengthen coordination in the delivery of education services;
- (e) The adoption of accessible grievance, feedback, and citizen monitoring mechanisms to enable communities to report concerns, provide feedback, and participate in the improvement of school governance and learning outcomes; and
- (f) The mandatory publication and wide dissemination of School Report Cards detailing budget utilization and performance indicators through physical and digital platforms developed by DSGO and local government transparency portal

SECTION 12. Capacity Development. – The National Educators Academy of the Philippines (NEAP), in collaboration with the Local Government Academy (LGA) and relevant partners, shall develop national frameworks, learning modules, and capacity development programs aimed at strengthening the competencies of school heads, teachers, supervisors, non-teaching personnel, members of LSB, members of SGC, LGU officials and staff, and other stakeholders involved in implementing shared governance in basic education.

Regional and Schools Division Offices shall support the contextualization and delivery of these programs to ensure that training initiatives are responsive to local education needs and priorities.

SECTION 13. Creation or Designation of a Local Education Office. – Every province, city, and municipality shall create or designate a permanent Local Education Office or Local Education Focal Unit within the Local Government Unit.

The Local Education Office or Local Education Focal Unit shall serve as the institutional mechanism within the Local Government Unit for coordinating education initiatives and strengthening collaboration with the Department of Education and other education stakeholders.

The Local Education Office or Local Education Focal Unit shall perform the following functions:

- (a) Provide technical and secretariat support to the Local School Board in the planning, implementation, and monitoring of education programs;
- (b) Coordinate with DepEd Regional Offices, Schools Division Offices, and public schools in the implementation of national and local education programs;
- (c) Facilitate the preparation and alignment of local education plans with local development plans and the strategic plans of DepEd field offices;
- (d) Support the monitoring and analysis of key local education indicators, including access, participation, and learning outcomes;
- (e) Coordinate local initiatives aimed at addressing learning gaps, improving education quality, and expanding access to education;
- (f) Facilitate partnerships among schools, Local Government Units, communities, civil society organizations, and private sector partners to support education programs; and
- (g) Ensure the continuity and sustainability of local education initiatives across political administrations.

The structure, staffing pattern, and operational guidelines of the Local Education Office or Local Education Focal Unit shall be determined by the LGU in accordance with applicable civil service and budgetary regulations.

SECTION 14. Strengthening the Functionality of Local School Boards (LSBs). – In accordance with Section 98 of R.A. No. 7160 and consistent with the provisions of the Omnibus Guidelines on the Use of the Special Education Fund (Joint Memorandum Circular No. 01, s. 2025), LSBs shall be strengthened as the primary local mechanism for participatory education governance and strategic utilization of the Special Education Fund (SEF).

SECTION 15. Non-Partisan Protection of Education Governance. – Education programs, initiatives, and resources implemented under this Act shall be administered in a strictly non-partisan manner. The planning, allocation, and implementation of education programs at the national, local government, and school levels shall be guided by the principles of equity, transparency, accountability, and evidence-based decision-making, and shall not be influenced by political affiliation, electoral considerations, or partisan interests.

No education assistance, program, service, or resource funded through the SEF, national government transfers, local government appropriations, or other public funds shall be used for partisan political purposes, political endorsements, or as an instrument of political patronage.

Education programs and initiatives approved through the Local School Board and incorporated into the Local Education Plan or SEF Investment Program shall not be arbitrarily discontinued due to changes in local leadership. Any modification or discontinuation shall be supported by evaluation results, policy review, or justified reallocation of resources consistent with education priorities and applicable government rules.

To reinforce non-partisan governance, LGUs and LSBs shall ensure the public disclosure of SEF allocations, publication of local education investments and program

outcomes, and the establishment of citizen monitoring mechanisms involving School Governing Councils, parents, civil society organizations, and other stakeholders.

Any violation of this Section shall constitute an administrative offense subject to applicable civil service laws, rules, and regulations, without prejudice to other liabilities under existing laws.

SECTION 16. Monitoring, Evaluation, and Learning. – DepEd, through the DSGO, shall establish a comprehensive Decentralization Monitoring, Evaluation, and Learning Framework to assess the efficacy and sustainability of decentralization reforms. This shall include real-time feedback mechanisms and annual reporting to Congress. The framework shall include measurable indicators such as learner outcomes, access and participation rates, dropout reduction, school performance levels, and local education investments.

SECTION 17. Implementing Rules and Regulations (IRR). – Within ninety (90) days from the effectivity of this Act, DepEd, in coordination with the DBM, DILG, and representatives of LGUs and CSOs, shall promulgate the necessary rules and regulations for the effective implementation of this Act. The IRR shall include detailed implementation guidelines for decentralization phases, SBM funding allocation, and LEZ operational protocols.

SECTION 18. Appropriations. – The amount necessary for the effective implementation of this Act shall be included in the annual budget of the DepEd in the General Appropriations Act (GAA). Pending such inclusion, the implementing agencies may allocate and utilize funds from their current appropriations, subject to existing budgetary, accounting, and auditing rules and regulations. LGUs may likewise allocate funds from their annual budgets, subject to availability of funds, while their respective LSBs are authorized to utilize the SEF, consistent with the Omnibus Guidelines on the Use of the Special Education Fund (Joint Memorandum Circular No. 01, s. 2025) .

SECTION 19. Separability Clause. – If any provision of this Act is declared unconstitutional or invalid, the remaining provisions not affected thereby shall continue to be in full force and effect.

SECTION 20. Repealing Clause. – All laws, decrees, orders, rules, and regulations inconsistent with the provisions of this Act are hereby repealed, amended, or modified accordingly.

SECTION 21. Effectivity. – This Act shall take effect fifteen (15) days after its publication in the *Official Gazette* or in two (2) newspapers of general circulation.