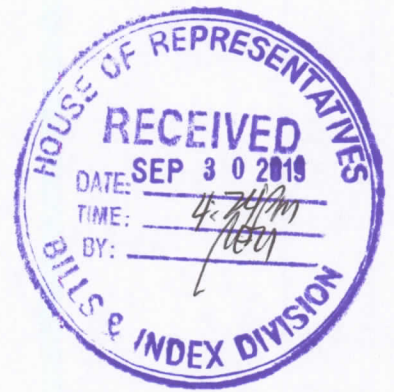


Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City

EIGHTEENTH CONGRESS
First Regular Session

HOUSE BILL NO. 4907



Introduced by Hon. John Marvin "Yul Servo" C. Nieto

As a manifestation of support to this timely piece of legislation, this representation respectfully refiles this measure, which has constantly been receiving support from the past (Rep. Amante's HB 5446) and present Congress.

Financial literacy is an important tool in achieving financial inclusion, financial stability, economic growth, and development. It is believed that financial literacy program plays an important role in reducing economic inequalities, empowering practically all citizens, and addressing the information asymmetries between financial intermediaries and their customers. Financial literacy is also considered to be helpful in preparing consumers for tough financial times.

Given the context of the Philippines, financial literacy is even more relevant now as the standard of living keeps on rising alongside the prices of basic necessities. However, financial literacy is considerably low in the country.

As such, the proposed measure seeks to declare a national policy promoting financial literacy as a tool for poverty alleviation and national development. One of the salient features of the proposed measure is the creation of the National Financial Literacy Council (NFLC). The NFLC will primarily be responsible in formulating a national plan of action regarding financial literacy in the country, providing assistance in formulating policies related to the promotion of financial literacy as a national concept, promoting the exchange of information on financial literacy between public and private sectors, and monitoring and evaluating financial literacy programs, to name a few.

Moreover, the proposed measure pushes for a collective and inclusive approach in promoting financial literacy. Among its initiative are to harness schools and workplaces as learning environments, integrating financial literacy in anti-poverty programs, and multi-channel delivery of learning tools and information.

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


JOHN MARVIN "YUL SERVO" C. NIETO

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HOUSE BILL NO. 4907

Introduced by Hon. John Marvin "Yul Servo" C. Nieto

AN ACT
DECLARING A NATIONAL POLICY THE PROMOTION OF
FINANCIAL LITERACY AS A TOOL FOR POVERTY ALLEVIATION
AND NATIONAL DEVELOPMENT

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

SECTION 1. Short Title. This Act shall be known as the "Financial Literacy Promotions Act of 2019."

SECTION 2. Declaration of Policy. The State declares financial literacy as a vital tool in improving the socio-economic welfare of all Filipinos, which must be harnessed in developing a robust, inclusive, and sustainable national economy.

Towards this end, the State shall seek to:

- a. Instill financial literacy in young Filipinos by incorporating its modules to the basic education system;
- b. Integrate financial literacy in the implementation of poverty alleviation programs to ensure their effectivity and sustainability;
- c. Promote financial literacy in all government and private workplaces; and,
- d. Disseminate financial education materials to a wide audience through various media platform.

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

- a. Financial literacy - the combination of one's understanding of financial products and concepts; and ability and confidence to appreciate financial risks and opportunities, to make informed choices, to know where to go for help, and to take other effective actions to improve financial well-being;
- b. Financial education materials - include all materials that can be used as study or reference materials to enhance financial literacy;
- c. Financial literacy module - a module used in schools that is used to teach financial literacy to learners;
- d. Poverty alleviation program - a program initiated by the national or local government that helps the poor gain access to economic opportunities that promote sustainable livelihood, as well as social services, such as education and healthcare.

SECTION 4. Creation of the National Financial Literacy Council. There shall be created a National Financial Literacy Council (NFLC) composed of the following:

Ex-officio members:

- a. Secretary of Finance or a representative;
- b. Secretary of Education or a representative;
- c. Secretary of Labor and Employment or a representative;

- d. Chairperson of the Civil Service Commission or a representative;
- e. Director General of the Philippine Information Agency or a representative;

Appointive members:

- a. Two (2) representatives from the private sector;
- b. A representative from civil society organizations; and,
- c. A representative from the academe.

The Secretary of Finance shall serve as Chairperson of the NFLC while the Secretary of Education shall serve as Vice-Chairperson. The selection, appointment, and term of office of the appointive members shall be in accordance with the pertinent provisions of Republic Act No. 10149, otherwise known as the GOCC Governance Act of 2011.

SECTION 5. Duties of the NFLC. The NFLC shall perform the following duties:

- a. Formulate a national plan of action for the implementation of this Act, which will include:
 - 1. Crafting of financial literacy modules and their integration in the curriculum of all levels of basic education;
 - 2. Mandating the conduct of financial literacy sessions for all beneficiaries of state-sponsored poverty alleviation programs, particularly those that provide grants or subsidies;
 - 3. Setting of guidelines to encourage public and private employers to implement financial literacy programs for their employees; and,
 - 4. Disseminating, at least once (1) monthly, of financial education materials in all media platforms, such as, but not limited to, television, radio, print media, online media, and social media;
- b. Recommend to the President and the Congress all policy matters related to the promotion of financial literacy;
- c. Coordinate and integrate various government and private sector activities relating to financial literacy;
- d. Promote the exchange of information on financial literacy between public and private sectors;
- e. Perform monitoring and regular impact evaluations of financial literacy programs; and,
- f. Exercise such other powers as may be necessary to carry out the purposes of this Act.

SECTION 6. Creation of the Financial Literacy Promotions Office. There shall be a Financial Literacy Promotions Office (FLPO) to be attached to the Department of Finance.

The FLPO shall perform the following functions:

- a. Coordinate the preparation of position papers and background materials for discussion or approval during NFLC meetings;
- b. Assist the NFLC in coordinating and monitoring financial literacy programs and activities of all government agencies and the private sector;
- c. Submit periodic reports to the NFLC on the progress and accomplishment of its work programs;
- d. Prepare a yearly report on the status of financial literacy in the country; and,
- e. Perform ad hoc functions as authorized by the NFLC.

SECTION 7. Implementing Rules and Regulations. Within sixty (60) days from the approval of this Act, the Secretary of Finance, in consultation with the heads of the DepEd, DOLE, CSC, and PIA, shall formulate the rules and regulations implementing the provisions of this Act.

SECTION 8. Appropriation. The amount necessary for the initial implementation of this Act shall be charged against the appropriations of the Department of Finance under the current General Appropriations Act (GAA). Thereafter, the amount for its full implementation shall be included in the GAA as a distinct and separate item.

SECTION 9. Repealing Clause. All laws, decrees, executive orders, proclamations, rules and regulations, or parts thereof inconsistent herewith are hereby repealed or modified accordingly.

SECTION 10. Separability Clause. If any provision of this Act is held invalid or unconstitutional, the other provisions not affected hereby shall remain valid and subsisting.

SECTION 11. Effectivity. This Act shall take effect fifteen (15) days after its publication in at least two (2) national newspapers of general circulation.

Approved,