

Republic of the Philippines  
HOUSE OF THE REPRESENTATIVES  
Quezon City

**EIGHTEENTH CONGRESS**  
First Regular Session

**HOUSE BILL No. 1539**



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**Introduced by REPRESENTATIVES ALFREDO A. GARBIN, Jr. and  
ELIZALDY S. CO**

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**AN ACT  
PROVIDING FOR INCLUSION OF PRIVATE SCHOOLS AS BENEFICIARIES  
OF THE SPECIAL EDUCATION FUND (SEF), AMENDING FOR THE PURPOSE RA  
7160 OR THE LOCAL GOVERNMENT CODE OF 1991, AS AMENDED**

**EXPLANATORY NOTE**

This bill seeks to amend Republic Act No. 7160, or the Local Government Code of 1991, as amended, to include private schools as beneficiaries of the Special Education Fund (SEF). Under the law, the SEF or the proceeds from 1% additional tax on real property, is automatically released to local school boards to be utilized in sustaining operation and maintenance, 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.

The primordial intent of the State is to provide for quality education to all students, regardless of social or economic status. Further, the State invests in future of our country by seeking to provide the best education for our youth.

In order to achieve this goal, we must first ensure equal opportunity for public and private schools. Under the current situation, we cannot achieve this because of the the following reasons. First, private schools cannot compete with public schools in terms of salaries for teachers. This results to the exodus of experienced teachers from private schools to public schools. Second, private schools are reduced to being training grounds for teachers who want to gain experience while waiting for a permanent item in public schools. This inevitably impacts the quality of education in private schools because of the frequent replacement of teachers. Third, private schools in order to cope with the disparity, are forced to increase the tuition of students in order to provide attractive salaries for teachers. This forces parents who have limited budget to transfer their children from private schools to public schools, resulting to even more congestion in the already congested public schools.

Public schools enjoy support, from Local Government Units. This translates to higher quality of education with the services of more trained, highly motivated and experienced teachers who are paid relatively higher. Private schools on the other hand, are left to fend for themselves and are constrained to resort to tuition fee increase to provide for competitive salaries for teachers if they hope to give quality education. Students in private schools should also benefit from the SEF because their parents are also taxpayers from whom the LGUs source the said special education fund.

With the enactment of this bill, part of the SEF will be used for funding teacher-student development programs in private schools, as the need arises, which would be determined and approved by the Local School Board. This way, we can provide for additional assistance for students and teachers in private schools to raise the quality of education they provide, and at par with public schools. Part of the fund will be used for private schools for, seminars, workshops, trainings, scholarships and continuing education, among others, of teachers and students.

It view of the foregoing, the prompt passage of this bill is earnestly sought.



ALFREDO A. GARBIN, Jr.



ELIZALBY S. CO

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**AN ACT**

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SPECIAL EDUCATION FUND (SEF), AMENDING FOR THE PURPOSE RA 7160 OR  
THE LOCAL GOVERNMENT CODE OF 1991, AS AMENDED**

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

SECTION 1. *Title* – This Act shall be known as the “*Special Education Fund for Private  
Schools Act of 2016*”,

SECTION 2. *Declaration of Policy* – It is the declared policy of the State to protect and  
promote the right of all citizens to quality education at all levels and shall take  
appropriate steps to make such education accessible to all.

SECTION 3. Section 99 of RA 7160 or the Local Government Code of 1991, as  
amended is hereby amended to read as follows:

“SECTION 99. Functions of Local School Boards. – The provincial, city or  
municipal school board shall:

- (a) Determine, in accordance with the criteria set by the Department of  
Education, Culture and Sports, the annual supplementary budgetary  
needs for the operation and maintenance of public schools **AND THE  
ANNUAL SUPPLEMENTARY BUDGET FOR TEACHER-STUDENT  
DEVELOPMENT PROGRAMS IN PRIVATE SCHOOLS** within the  
province, city, or municipality, as the case may be, and the  
supplementary local cost of meeting such needs, which shall be  
reflected in the form of an annual school board budget corresponding  
to its share of the proceeds of the special levy on real property  
constituting the Special Education Fund and such other sources of  
revenue as this Code and other laws or ordinances may provide;

(b) x x x

SECTION 4. Section 272 of RA 7160 or the Local Government Code of 1991, as  
amended is hereby amended to read as follows:

“SEC. 272. *Application of Proceeds of the Additional One Percent SEF Tax.* -  
The proceeds from the additional one percent (1%) tax on real property accruing  
to the Special Education Fund (SEF) shall be automatically released to the local

1 school boards: *Provided*, That, in case of provinces, the proceeds shall be  
2 divided equally between the provincial and municipal school boards: *Provided*,  
3 *however*, That **PART OF** the proceeds shall be allocated for the operation and  
4 maintenance of public schools, construction and repair of school buildings,  
5 facilities and equipment, educational research, purchase of books and  
6 periodicals, and sports development as determined and approved by the Local  
7 School Board. **PROVIDED FURTHER, THAT PART OF THE PROCEEDS**  
8 **SHALL BE ALLOCATED FOR TEACHER-STUDENT DEVELOPMENT**  
9 **PROGRAMS IN PRIVATE SCHOOLS, INCLUDING BUT NOT LIMITED TO**  
10 **SEMINARS, WORKSHOPS, AND SCHOLARSHIPS FOR CONTINUING**  
11 **EDUCATION AS DETERMINED AND APPROVED BY THE LOCAL SCHOOL**  
12 **BOARD."**

13  
14 SECTION 5. *Implementing Rules and Regulations.* – The Department of Interior and  
15 Local Government (DILG) and the Department of Education (DepEd) shall  
16 promulgate the necessary rules and regulations to implement this Act not later  
17 than ninety (90) days after its effectivity.  
18

19 SECTION 6. *Separability Clause.* – If any provision of this Act is declared invalid, the  
20 other provisions not affected thereby shall remain valid.  
21

22 SECTION 7. *Repealing Clause.* – All laws, decrees, orders, rules and regulations and  
23 other issuances or parts thereof which are inconsistent with the provisions of this  
24 Act are hereby repealed or modified accordingly. Republic Act No. 1161 as  
25 amended, is further amended accordingly.  
26

27 SECTION 8. *Effectivity.* – This Act shall take effect fifteen (15) days after its publication  
28 in the Official Gazette or in a newspaper of general circulation.  
29

30 Approved.