

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



**EIGHTEENTH CONGRESS**  
First Regular Session

**HOUSE BILL NO. 5092**

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Introduced by Representative Gabriel H. Bordado Jr.

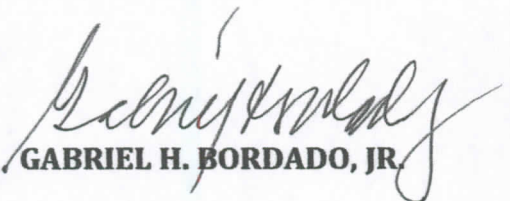
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**EXPLANATORY NOTE**

In the State's pursuit of providing good quality education to the Filipino people, great emphasis should be placed on taking care of our teachers, who play an integral part in shaping the minds of our youth, and in making the teaching profession competitive and appealing to those who wish to engage in it.

With the current level of salary provided to them, some if not many teachers might find it difficult to have additional funds for their financial security like availing financial investments. Without such capacity, some wishing to go into the teaching profession might be dissuaded and some teachers might leave the profession to look for better opportunities. If this happens, the quality of education in the country would surely be affected and would decline. Therefore, benefits extended to teachers should not stop at salary increases alone but should also include access to other financial instruments – like mutual funds – that could guarantee a more financially stable future for them.

This Act seeks to establish an initial fund for teachers through a mutual fund to ensure the financial security of our educators. It also seeks to designate a government bank that will manage said mutual fund.

  
**GABRIEL H. BORDADO, JR.**

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**AN ACT**  
**ESTABLISHING AN EDUCATION MUTUAL FUND**

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 “Educational Mutual Fund Act ( \_\_\_\_\_ ),”

SEC. 2. Declaration of Policy. a) The State recognizes the indispensable role of teachers in educating our citizenry. It is thus but fitting that the State ensure that the teaching profession attract the best and the brightest by making teachers’ compensation and benefits reasonably competitive.

b) In this regard, it is essential that the financial security of the teaching profession be secured by contemporary and available means such as facilitating their investment in mutual funds, an investment security type that enables investors to pool their money together into one professionally managed investment.

SEC. 3. a) Upon approval of this Act, the Department of Education, Commission on Higher Education (CHED) and the Technical Education Skills and Development Authority (TESDA) shall create an Education Mutual Fund Committee that shall study, formulate, and issue guidelines for the orientation of teachers on the importance of mutual funds, and thereafter, the creation of a mutual fund for educators, including the selection of the appropriate government banking institution that will manage said fund.

SEC. 4. The Department of Education, Commission on Higher Education, and the Technical Education Skills and Development Authority shall include in its programs

the provision of free financial education seminars to teachers that would include an orientation on the ramifications of investments such as mutual funds,

SEC. 5. The funds necessary to carry out the provisions of this Act shall be included in the General Appropriations Act of the year following its enactment into law and thereafter.

SEC. 6. All laws, orders, issuance rules and regulations or parts thereof inconsistent with any provision of this Act are hereby repealed, modified, or amended accordingly.

SEC. 7. This Act shall take effect upon its approval.

Approved.