

EIGHTEENTH CONGRESS OF THE)
REPUBLIC OF THE PHILIPPINES)
First Regular Session)



SENATE

S. No. 898

19 AUG 13 P1:09

Introduced by Senator Manuel "Lito" M. Lapid.

**AN ACT
ESTABLISHING THE MECHANISMS TO ENSURE THE AVAILABILITY OF
AFFORDABLE COLLEGE AND POST-GRADUATE TEXTBOOKS AND
SUPPLEMENTAL MATERIALS FOR THE POOR, APPROPRIATING FUNDS
THEREFOR, AND FOR OTHER PURPOSES**

EXPLANATORY NOTE

Article XIV, Section 1 of the 1987 Constitution provides that the State shall 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. This constitutional provision mandates that access to quality education must be given priority by the government. But despite the passage of Republic Act No. 10931 or the "Universal Access to Quality Tertiary Education Act," there are still challenges that beset poor and underprivileged students. One such challenge is in the aspect of affordability of college education textbooks.

Millions of college students enroll each semester but affordable access to quality textbooks and supplemental learning materials remains wanting. College students often spend large amounts of money to purchase textbooks but find that such books are little used after the semester. Books are left to be stocked in a cabinet rarely, if ever, to be re-read or re-used. This may be of little to no consequence to students and families with the means to purchase textbooks. However, for students who come from modest family backgrounds, the mere thought of purchasing textbooks is a financial obstacle to their dreams of higher education.

This proposed measure seeks to give life to the provisions of our Constitution which gives utmost priority to education. Under this bill, book rental distribution branches shall be established under the Philippine Textbook Rent Foundation. The Foundation will be tasked with the reproduction and acquisition of books needed in collegiate courses. This Foundation will allow students to rent instead of purchase the books they need for any given semester. Such a program will reduce the costs of college and post-graduate education.

Furthermore, a trust fund shall be established as a source of the funds to be used to purchase and reproduce the books needed by our college students in order to ensure the sustainability of this program.

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



The signature is handwritten in black ink, appearing to read "Lito M. Lapid". Below the signature, the name "MANUEL 'LITO' M. LAPID" is printed in a formal, sans-serif font. Underneath that, the word "Senator" is also printed.

MANUEL "LITO" M. LAPID
Senator

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

1 Section 1. *Short Title.* – This Act shall be known as the “Cheaper Books for the
2 Poor Act.”

3

4 Sec. 2. *Declaration of Policy.* – It is hereby declared the policy of the State to
5 give priority to education to foster social progress and promote holistic individual
6 development. In this regard, the State shall protect and promote the right of all citizens
7 to quality education at all levels and shall take appropriate steps to make such
8 education accessible and affordable to all.

9

10 Towards this end, the State shall establish a mechanism whereby various
11 stakeholders shall work together to identify ways to decrease the cost of college
12 textbooks and supplemental materials for students while protecting the academic
13 freedom of faculty members to provide high quality course materials for their students.

14

1 In pursuit of this policy, the State shall institutionalize a mechanism that will
2 ensure that poor college and post-graduate students will be provided with affordable
3 textbooks and supplemental materials in order to lower the cost of higher education.
4 Herewith, the State will establish an institution wherein students can borrow books at
5 an affordable price or on a loan basis in order to lower the cost of purchasing college
6 and post-graduate textbooks and supplemental materials.

7

8 Sec. 3. *Definition of Terms.* - As used in this Act, the following terms shall be
9 construed as follows:

- 10 a. College and Post Graduate Textbook - The term shall mean a textbook or a set
11 of textbooks used for a course in tertiary and post-graduate education at an
12 institution of higher education.
- 13 b. Publisher - The term shall mean a publisher of college textbooks or
14 supplemental materials used for a course in tertiary and post graduate
15 education.
- 16 c. Supplemental Material - The term shall mean educational material published or
17 produced to accompany a college and post-graduate textbook.

18

19 Sec. 4. *Institutionalization of the Philippine Textbook Rent Foundation*
20 (PTRF). - There is hereby established and institutionalized a Philippine Textbook Rent
21 Foundation (PTRF), herein referred to as the "Foundation" which shall serve as an
22 attached agency of the Commission on Higher Education and which shall be tasked
23 to promote and ensure the availability of affordable and cheaper college and post
24 graduate textbooks to poor Filipino college students.

25 The Foundation may establish various book rental distribution branches in the
26 different provinces, cities or municipalities in the country, as it may deem necessary
27 to carry out its mandate.

28

29 Sec. 5. *Composition of the Philippine Textbook Rent Foundation (PTRF).* – The
30 Foundation shall be composed of the Chairperson of the Commission on Higher
31 Education (CHED) who shall serve as the chairperson of the Foundation.

- 1 The Foundation shall be composed of the following members:
- 2 a. One (1) representative from the duly accredited association of private schools
3 for higher education;
- 4 b. One (1) representative from the State Universities and Colleges (SUCs) in the
5 country;
- 6 c. One (1) representative from the duly accredited association of textbook
7 publishers and distributors;
- 8 d. One (1) representative from the duly accredited association of private school
9 teachers of higher education;
- 10 e. One (1) representative from the non-governmental organizations (NGOs)
11 involved in the advocacy of "Education for All";

12 These five members of the Foundation shall be appointed by the President of
13 the Philippines from a list of three (3) nominees from each sector and shall serve for
14 a term of three (3) years which may be renewed for another term: Provided, that the
15 person appointed shall be of good moral character, of unquestionable integrity, and
16 with expertise and experience of at least six (6) years in their respective sectors;
17 Provided further, that in the event of a vacancy, the successor appointed to fill the
18 same shall serve only for the unexpired portion of the term of the member he/she
19 succeeded.

20 All members of the Foundation shall receive emoluments as may be
21 determined by the Foundation, in accordance with existing budget and accounting
22 rules and regulations.

23
24 *Sec. 6. Meetings.* – The Philippine Textbook Rent Foundation shall meet at
25 least once a month upon a three-day notice signed by the Chairperson or as often as
26 necessary upon the written request signed by two-thirds (2/3) of its members.

27 The presence of a majority of the members of the Foundation shall constitute a
28 quorum in order for it to conduct its business.

29

1 Sec. 7. *The Philippine Textbook Rent Foundation Secretariat.* – The Philippine
2 Textbook Rent Foundation shall establish a Secretariat that shall serve as the
3 technical support staff to effectively implement the provisions of this Act.

4 The Foundation Secretariat shall be headed by an Executive Director who shall
5 be appointed by the Chairman of the Commission on Higher Education (CHED). The
6 Executive Director of the Foundation shall be responsible for the day-to-day
7 operations of the Philippine Textbook Rent Foundation.

8

9 Sec. 8. *The Powers and Functions of the Philippine Textbook Rent Foundation.*
10 - The Philippine Textbook Rent Foundation shall have perpetual succession and shall
11 have all legal powers appertaining to a juridical person, particularly the following
12 powers:

- 13 a. to sue and be sued;
- 14 b. to enter into contracts;
- 15 c. to hold real and personal property as may be necessary for corporate purposes;
- 16 d. to solicit and receive public and private donations and contributions for
17 purposes of performing their mandated functions;
- 18 e. to accept and receive real and personal property by gift, devise or bequest;
- 19 f. to levy and charge affordable and reasonable fees from the textbooks and
20 supplemental materials that they lease or rent to poor college and post-
21 graduate students;
- 22 g. to adopt a seal, and to alter the same at pleasure;
- 23 h. to have offices and conduct its affairs in the Metro Manila area and other parts
24 in the country;
- 25 i. to make and adopt by-laws, rules and regulations not inconsistent with this Act
26 and the laws of the Philippines;
- 27 j. to promote the enforcement of this Act, as well as the other applicable national
28 legislations, rules, regulations, and standards;
- 29 k. to establish, initiate and coordinate multi-sectoral action plans at the regional
30 and local government unit level to mainstream the advocacy of promoting the
31 accessibility of cheaper books to the students;

- 1 I. to coordinate the implementation and dissemination of information on the
2 Philippine Textbook Rent Foundation website, which shall be created pursuant
3 to this Act, so that the program on cheaper books will be made accessible to
4 the various parts of the country;
- 5 m. to receive donations and grants from international funding institutions,
6 foundations, and multilateral and bilateral foreign donor agencies involved in
7 the promotion and advocacy of "Education for All";
- 8 n. to provide a forum and avenue for exchange of information, exchange
9 programs, and sharing of best practices on issues relating to the provision of
10 cheaper textbooks to students;
- 11 o. to manage and operate the various branches that will be established in the
12 different local government units in the country in order to make cheaper
13 textbooks and supplementary materials accessible to poor college and post-
14 graduate students in the country;
- 15 p. to establish a databank which will provide detailed information on the available
16 textbooks for college students in the country;
- 17 q. to hire and avail of the services of technical experts, consultants and staff
18 relevant fields of discipline for the effective implementation of its mandate,
19 duties and functions; and
- 20 r. to do and perform any and all acts necessary, proper or incidental to the
21 attainment of the purposes and objectives of this Act.

22

23 The seal and emblem of the Philippine Textbook Rent Foundation shall be kept
24 in its national Office.

25

26 Sec. 9. *Information, Education and Communication (IEC).* - The
27 Philippine Textbook Rent Foundation, in coordination with the Commission on Higher
28 Education (CHED) and the Philippine Information Agency (PIA), shall conduct a
29 nationwide information, education and communication (IEC) campaign to inform the
30 general public how to avail of the services and benefits offered by the Foundation.

31

1 Sec. 10. *Creation of a National Website.* - The Philippine Textbook Rent
2 Foundation, in coordination with the various stakeholders, is hereby mandated to
3 establish a national website for its services to be publicly accessible. The Website
4 shall highlight the various packages and services being offered by the Foundation and
5 provide the list of accredited branches and distributors of cheaper books so that
6 prospective borrowers can register at the website and avail of the Foundation's
7 services.

8 The Philippine Textbook Rent Foundation Website shall also incorporate a
9 market information system which shall be installed for the use and benefit of all the
10 prospective borrowers of college and post-graduate books all over the country.

11

12 Sec. 11. *On-Line Textbooks.* - Subject to the protection of intellectual property
13 rights, the Philippine Textbook Rent Foundation shall study the viability and feasibility
14 of uploading textbook content on its website so that students can have online access
15 to textbooks, should such access be more convenient. Towards this end, the
16 Philippine Textbook Rent Foundation shall make a Recommendation to Congress,
17 within three (3) years from the date of the effectivity of this Act, on the needed
18 legislative reforms to make textbooks easily accessible online to students from lower
19 income families.

20

21 Sec. 12. *The Philippine Textbook Rent Foundation Trust Fund.* - There is
22 hereby established a Philippine Textbook Rent Foundation Trust Fund, hereinafter
23 referred to as the "Foundation Trust Fund", envisioned to exclusively support the
24 promotion and dissemination of accessible and affordable college and post-graduate
25 books all over the country.

26 The contribution to the Foundation Trust Fund shall be sourced from the following:

- 27 a. An amount of One Hundred Million pesos (Php100,000,000.00) shall be allotted
28 annually in the annual General Appropriations Act (GAA) for a period of five (5)
29 years starting from the enactment of this Act;
- 30 b. An allocation of at least 25% of the net income of international airports and
31 seaports, to be taken from the share of the National Government under
32 Republic Act No. 7656; and

1 c. An amount of Fifty Million pesos (Php 50,000,000.00) annually which shall be
2 taken from the Philippine Charity Sweepstakes Office (PCSO). Government-
3 Owned and Controlled Corporations (GOCCs) are hereby authorized to give
4 grants to the Fund at their discretion;

5 The contributions to the Fund shall be exempt from donor's tax and shall be
6 considered as allowable deductions from the donor's gross income, in accordance
7 with the provisions of the National Internal Revenue Code of 1997, as amended.

8 The Philippine Textbook Rent Foundation shall be the administrator of the
9 Fund. For the sound and judicious management of the Fund, the Foundation shall
10 appoint a government financial institution, with sound track record on fund
11 management, as portfolio manager of the Fund, subject to guidelines promulgated by
12 the Foundation.

13 The Foundation shall prepare the implementing guidelines and decision-
14 making mechanisms, subject to the following conditions:

- 15 a. No part of the seed capital of the Fund, including earnings thereof, shall be
16 used to underwrite overhead expenses for administration, and
17 b. There shall be an external auditor to perform an annual audit of the Fund's
18 performance.

19

20 *Sec. 13. Authority to Utilize Funds.* – The Philippine Textbook Rent Foundation
21 is hereby given the power to utilize its funds derived from dues, assessments,
22 donations, contributions, fees charged for services rendered, and such other income
23 from book rentals.

24

25 *Sec. 14. Appropriation.* - The amount necessary to implement the provisions
26 of this Act shall be included and incorporated in the annual general appropriations of
27 the various agencies of the government involved in the implementation of the
28 provisions of this Act.

29

1 Sec. 15. *Repealing Clause.* - All laws, decrees, executive orders, rules and
2 regulations, or parts thereof not consistent with the provisions of this Act are hereby
3 repealed or modified accordingly.

4

5 Sec. 16. *Separability Clause.* - If any provision or part of this Act shall be held
6 unconstitutional or invalid, the other provisions of this Act which are not affected
7 thereby shall continue to be in full force and effect.

8

9 Sec. 17. *Effectivity Clause.* - This Act shall take effect fifteen (15) days from
10 the date of its publication in the Official Gazette or in at least two (2) newspapers of
11 general circulation.

12 *Approved,*