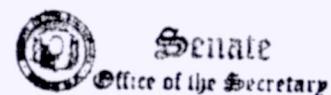


EIGHTEENTH CONGRESS OF THE  
REPUBLIC OF THE PHILIPPINES  
*First Regular Session*



'19 AUG 15 P5 :33

SENATE

S. No. 909

RECEIVED BY

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Introduced by SENATOR RAMON BONG REVILLA, JR.

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**AN ACT**

**AMENDING REPUBLIC ACT NO. 7880 OTHERWISE KNOWN AS "AN ACT  
PROVIDING FOR THE FAIR AND EQUITABLE ALLOCATION OF THE  
DEPARTMENT OF EDUCATION BUDGET FOR CAPITAL OUTLAY"**

EXPLANATORY NOTE

The populous of our nation has been growing rapidly over the past few years; consequentially that growth also meant the increase of our student population. Last year, according to the Department of Education's (DepEd) data, over 27.7 million students enrolled in public and private basic education institutions across the country, the highest in history, according to DepEd. Their data showed that student enrolment in public schools went up to 23.5 million from 22.9 million; in private schools, enrolment increased from 4 million to 4.2 million; and about 150,000 are expected to enrol in state universities and colleges. Based on enrolment data, almost 14 million pupils enrolled in elementary programs, while around 8 million students enrolled in Junior Highschool. An estimated 3 million pupils enrolled in kindergarten and over 2.7 million students in Senior Highschool.

With the data stated above, the disparity between the number of students and the number of school facilities should be a problem acknowledged by the State. The number of educational facilities built does not meet the yearly building requirements caused by the continuous increase in enrolment. The shortage in the number of public school buildings in our country has always been a perennial problem associated with

the deteriorating quality of our educational system. It is something the State should take notice of and fix immediately for the future of our nation's youth.

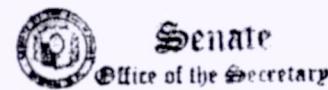
This bill seeks to create a comprehensive program which will address the problem of classroom shortage. A salient feature of this bill is the provision of build-operate-transfer, build-lease-transfer, build-transfer, rehabilitate-operate transfer, and other contractual arrangements that will allow the use of both government and private funds to finance the construction of needed school buildings, and the creation of an inter-agency committee to formulate and ensure the effective implementation of the program by the Department of Education (DepEd). The program also provides for the integration of all the necessary information for the effective monitoring and maintenance of existing school buildings. It is hoped for that with the passage of this bill, class sizes will be reduced to a manageable level for a more conducive learning environment for the children and thus result in the improvement in the quality of their education.

For the reasons stated above, the passage of this bill into law is earnestly sought.



**RAMON BONG REVILLA, JR.**

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AN ACT

AMENDING REPUBLIC ACT NO. 7880 OTHERWISE KNOWN AS "AN ACT PROVIDING FOR THE FAIR AND EQUITABLE ALLOCATION OF THE DEPARTMENT OF EDUCATION BUDGET FOR CAPITAL OUTLAY"

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

1       Section 1. Republic Act No. 7880 is hereby amended, and subsequent sections  
2 thereby renumbered, by inserting a new Section 3, to read as follows:

3

4       **"SEC. 3. COVERAGE. – THE PROVISIONS OF THIS ACT COVER**  
5       **ALL FUNDS AND BUDGET APPROPRIATED AS CAPITAL OUTLAY**  
6       **FOR THE DEPARTMENT OF EDUCATION (DEPED) INCLUDING,**  
7       **BUT NOT LIMITED TO, THE FUNDS APPROPRIATED FOR THE**  
8       **SCHOOL BUILDING PROGRAM AND LOCALLY-FUNDED**  
9       **PROJECTS OF THE DEPARTMENT OF EDUCATION."**

10

11       Sec. 2. Section 3 of the same Act is hereby amended to read as follows:

12

13       "Sec. [3] 4. *Definition of Terms.* – As used in this Act, the following  
14 terms are hereby defined as follows:

15

16       a) *Capital Outlay* – refers to the provisions of the General  
17       Appropriations Act, particularly those pertaining to the budget of the  
18       [DECS] **DEPED** for elementary and secondary education for (i) the

1 acquisition and improvement of sites; (ii) the construction,  
2 replacement, rehabilitation and repair of buildings, classrooms,  
3 libraries, workshops, toilets **AND SANITATION FACILITIES** and  
4 other structures; and (iii) [furniture, fixtures, and equipment such  
5 as, but not limited to, desks, chairs, laboratory and workshop  
6 implements, computers, books,] **OTHER PROPERTY, PLANT AND**  
7 **EQUIPMENT IN ACCORDANCE WITH THE CURRENT**  
8 **GOVERNMENT ACCOUNTING STANDARDS PRESCRIBED BY**  
9 **'THE COMMISSION ON AUDIT, SUCH AS FURNITURE,**  
10 **FIXTURES, EQUIPMENT, COMPUTERS,** and the other basic and  
11 essential tools for learning whose beneficial use shall exceed one (1)  
12 year; [and]

- 13 b) **CLASSROOM – REFERS TO A STRUCTURE OR BUILDING**  
14 **INTENDED FOR INSTRUCTIONAL PURPOSES, INCLUDING**  
15 **CHAIRS, DESK AND OTHER SIMILAR FIXTURES; AND**  
16 c) *Classroom Shortage* – refers to the number of classrooms whose  
17 construction, in considering the number of students divided by the  
18 existing number of classrooms, shall result in a student-classroom of  
19 [45:1] 40:1; classrooms, **UNDER THIS DEFINITION,** shall mean  
20 those exclusively used for instructional purposes and shall exclude  
21 offices, libraries, laboratories, workshops and the like.”

22  
23 Sec. 3. Section 4 of the same Act is hereby amended to read as follows:  
24

25 “Sec. [4] 5. *Allocation of Appropriation.* – Notwithstanding any  
26 provision of the law to the contrary, the annual [DECS] DEPED budget  
27 for capital outlay, as defined in Section [3] 4(a), shall be allocated  
28 among the legislative districts in the

29  
30 [(a) on the first year of the effectivity of this Act:  
31

- (1) Thirty percent (30%) of the total capital outlay to be allocated pro rata according to each legislative district's student population in relation to the total student population of the country;
  - (2) Sixty percent (60%) of the total capital outlay to be allocated only among those legislative districts with classroom shortages as defined in Section 3 (b), pro-rata to the total classroom shortage of the country pursuant to Section 3 (b) as determined by DECS; and
  - (3) Ten percent (10%) to be allocated in accordance with the implementation of the policy of this Act as may be determined by the DECS.

(b) On the second year and every year thereafter:

- (1) Fifty percent (50%) of the total capital outlay to be allocated pro-rata according to each legislative district's student population in relation to the total student population of the country;
  - (2) Forty percent (40%) of the total capital outlay to be allocated only among those legislative districts with classroom shortages, as defined in Section 3 (b), pro-rata to the total classroom shortage of the country pursuant to Section 3(b) as determined by the DECS;
  - (3) Ten percent (10%) to be allocated in accordance with the implementation of the policy of this Act as may be determined by the DECS.

(a) TEN PERCENT (10%) OF THE TOTAL CAPITAL OUTLAY TO BE ALLOCATED PRO-RATA ACCORDING TO EACH LEGISLATIVE DISTRICT'S STUDENT POPULATION IN RELATION TO THE TOTAL STUDENT POPULATION OF THE COUNTRY:

(b) EIGHTY PERCENT (80%) OF THE TOTAL CAPITAL OUTLAY TO BE ALLOCATED ONLY AMONG THOSE LEGISLATIVE DISTRICTS WITH CLASSROOM SHORTAGES, PRO-RATA TO THE TOTAL CLASSROOM SHORTAGE OF THE COUNTRY.

1                   **PURSUANT TO SECTION 4(C) AS DETERMINED BY THE**  
2                   **DEPED; AND**

3                   (c) **TEN PERCENT (10%) TO BE ALLOWED IN ACCORDANCE**  
4                   **WITH THE IMPLEMENTATION OF THE POLICY OF THIS ACT**  
5                   **AS MAY BE DETERMINED BY THE DEED."**

7                   Sec. 4. Section 5 of the same Act is hereby amended to read as follows:

9                   "Sec. [5] 6. *Use of Allocation.* – The total amount allocated herein shall  
10                  be used exclusively for capital outlay pursuant to the educational  
11                  priorities of the legislative district, as determined by the [DECS] **DEPED**  
12                  upon prior consultation with the representative of each legislative  
13                  district: *Provided*, That the primary objective in the use of any allocation  
14                  shall be to eliminate **SCHOOL BUILDING**/classroom shortages if any:  
15                  **PROVIDED, HOWEVER, THAT SCHOOL BUILDING/CLASSROOM**  
16                  **APPROPRIATE NUMBER OF TOILETS AND/OR SANITATION**  
17                  **FACILITIES SHALL ALSO BE CONSTRUCTED IN ACCORDANCE**  
18                  **WITH THE SCHOOL SANITATION AND HEALTH SERVICES**  
19                  **CHAPTER OF THE CODE ON SANITATION OF THE PHILIPPINES**  
20                  (CHAPTER VI, P.D. 856): *Provided, further*, that any amounts allocated  
21                  in accordance with [subparagraph (1) of paragraphs (a) and (b)]  
22                  **PARAGRAPH** (a) of the preceding section shall be used only for the  
23                  acquisition or improvement of school sites, construction of school  
24                  buildings and classrooms and the purchase of material or equipment  
25                  that directly aid in education: *Provided, furthermore*, that the amount  
26                  so appropriated in accordance with [subparagraph (2) of paragraphs (a)  
27                  and (b)] **PARAGRAPH** (b) of the same section shall be used exclusively  
28                  for the construction of new school buildings **AND/OR CLASSROOMS**:  
29                  *Provided, finally*, that if the amount so appropriated in [subparagraph  
30                  (2) of paragraphs (a) and (b)] **PARAGRAPH** (b) should exceed the  
31                  amount required to meet the classroom shortage. The excess shall be  
32                  integrated with [subparagraph (1) of paragraphs (a) and (b)]

1           **PARAGRAPH** (a) of the same section excluding capital outlays of  
2 division offices, regional and central offices.

4           Sec. 5. Before Section 6 of Republic Act 7880, insert two (2) new sections to  
5 read as follows:

7           **"SEC. 7. INCREASE IN THE ANNUAL BUDGET  
8 ALLOCATION. – THE BUDGET ALLOCATION PROVIDED FOR THE  
9 CAPITAL OUTLAY OF THE DEPED UNDER THIS ACT SHALL BE  
10 INCREASED ANNUALLY BY TWENTY PERCENT (20%) TO  
11 COMPLY WITH THE TARGETED CLASSROOM-STUDENT RATIO  
12 AND TO DECREASE CLASSROOM SHORTAGE IN THE COUNTRY.**

13           **SEC. 8. REPORTORIAL REQUIREMENT. – THE  
14 DEPARTMENT OF BUDGET AND MANAGEMENT (DBM), THE  
15 DEPARTMENT OF PUBLIC WORKS AND HIGHWAYS (DPWH),  
16 AND THE DEPARTMENT OF EDUCATION (DEPED) ARE HEREBY  
17 REQUIRED TO SUBMIT TO THE RESPECTIVE COMMITTEES ON  
18 EDUCATION OF BOTH HOUSES OF CONGRESS AN ANNUAL  
19 REPORT ON THE RELEASE AND UTILIZATION OF THE CAPITAL  
20 OUTLAY UNDER THIS ACT: PROVIDED, THAT SUCH  
21 SUBMISSION SHALL BE SEPARATE AND DISTINCT FROM THE  
22 REPORTS THEY SUBMIT TO CONGRESS RELATED TO  
23 DELIBERATIONS ON THE ANNUAL GENERAL APPROPRIATIONS  
24 ACT."**

25  
26           Sections 6 and 7 of Republic Act No. 7880 are hereby renumbered as sections  
27 9 and 10 respectively.

28  
29           Sec. 6. Section 8 of the same Act is hereby amended and accordingly  
30 renumbered to read as follows:

31           **SEC. [8] 11. PENAL CLAUSE. – ANY VIOLATION OF THE  
32 PROVISIONS OF THIS ACT SHALL BE CONSIDERED AS**

1           **DERELICTION OF DUTY AS SET FORTH IN PERTINENT**  
2           **ADMINISTRATIVE AND CIVIL SERVICE LAWS, AND SHALL BE**  
3           **ADMINISTRATIVELY DEALTH WITH IN ACCORANCE WITH**  
4           **APPROPRAITE EXISTING ADMINISTRATIVE PROCEDURES AND**  
5           **PENALITES.**

6  
7       Any public official or employee or private individual who wilfully or  
8       knowingly misappropriates the funds allocated herein or uses the same  
9       for personal gain in violation of Section [5] 6 of this Act shall be punished  
10      with perpetual disqualification from public office and imprisonment not  
11      less than six (6) years but not more than fifteen (15) years.

12  
13      Sec. 7. Section 9 of the same Act is hereby amended and accordingly  
14      renumbered to read as follows:

15  
16      "SEC. [9] 12. *Release of Capital Outlays.* – The appropriation herein  
17      provided for the construction, rehabilitation, replacement, completion  
18      and repair of School buildings shall be [directly released to and  
19      administered by the Department of Public Works and Highways based  
20      on the work program submitted by the [DECS] **DEPED:** *Provided*, that  
21      fifty percent (50%) of the total appropriation for capital outlay shall be  
22      released automatically on the first quarter of the calendar year, including  
23      its corresponding notice of cash allocation.] **RELEASED IN THE**  
24      **FOLLOWING MANNER:**

25      **1. ON THE FIRST YEAR OF EFFECTIVITY OF THIS ACT:**

26          **A. FIFTY PERCENT (50%) OF THE SCHOOL BUILDING FUND**  
27          **SHALL BE DIRECTLY RELEASED TO AND ADMINISTERED**  
28          **BY THE DEPED OR THE LOCAL GOVERNMENT UNIT AS**  
29          **MAY BE AUTHORIZED BY THE DEPED, UNDER THE**  
30          **LATTER'S SCHOOL BUILDING PROGRAM.**

31          **B. FIFTY PERCENT (50%) OF THE SCHOOL BUIDLING FUND**  
32          **SHALL BE THE DEPARTMENT OF PUBLIC WORKS AND**

1                   **HIGHWAY (DPWH) BASED ON THE WORK PROGRAM**  
2                   **SUBMITTED BY THE DEPED.**

3                   **2. ON THE SECOND YEAR OF THE EFFECTIVITY OF THIS ACT:**

- 4                   **A. SEVENTY PERCENT (70%) OF THE SCHOOL BUILDING**  
5                   **FUND SHALL BE DIRECTLY RELEASED TO AND**  
6                   **ADMINISTERED BY THE DEPED OR THE LOCAL**  
7                   **GOVERNMENT UNIT AS MAY BE AUTHORIZED BY THE**  
8                   **DEPED, UNDER THE LATTER'S SCHOOL BUILDING**  
9                   **PROGRAM;**
- 10                  **B. THIRTY PERCENT (30%) OF THE SCHOOL BUILDING**  
11                  **FUND SHALL BE DIRECTLY RELEASED TO AND**  
12                  **ADMINISTERED BY THE DPWH BASED ON THE WORK**  
13                  **PROGRAM SUBMITTED BY THE DEPED.**

14                  **3. ON THE THIRD YEAR AND EVERY YEAR THEREAFTER, THE**  
15                  **SCHOOL BUILDING FUND SHALL BE DIRECTLY RELEASED**  
16                  **TO AND ADMINISTERED BY THE DEPED OR THE LOCAL**  
17                  **GOVERNMENT UNIT AS MAY BE AUTHORIZED BY THE**  
18                  **DEPED, UNDER THE LATTER'S SCHOOL BUILDING**  
19                  **PROGRAM.**

20                  **PROVIDED, THAT THE DBM AND THE DEPED SHALL FORM**  
21                  **WITHIN THE LAST QUARTER OF EVERY YEAR A COMMITTEE,**  
22                  **TASKED TO DRAW A SCHOOL BUILDING EXPENDITURE**  
23                  **PROGRAM WHICH SHALL BE IMPLEMENTED IN THE**  
24                  **IMMEDIATELY SUCCEEDING YEAR, WHICH AMONG**  
25                  **OTHERS, SHALL INCLUDE A LIST OF SCHOOL**  
26                  **BUILDING/CLASSROOM TO BE FUNDED BY THE SAID**  
27                  **SUCCEEDING YEARS BUDGET. THE DRAWING OF THE**  
28                  **PROGRAM TOGETHER WITH THE LSIT SHALL BE DEEMED**  
29                  **COMPLETE AND FINAL ON 31 DECEMBER EVERY YEAR,**  
30                  **EVIDENCED BY SIGNATURES OF BOTH THE DBM AND**  
31                  **DEPARTMENT OF EDUCATION (DEPED) SECRETARIES;**

32

1 PROVIDED FURTHER, THAT THE DBM SHALL ISSUE THE  
2 SPECIAL ALLOTMENT RELEASE ORDER (SARO) (OR ITS  
3 EQUIVALENT) FOR PROJECTS IN THE LIST, TOGETHER WITH  
4 THE RELEASE OF CASH AMOUNT EQUIVALENT TO AT LEAST  
5 FIFTEEN PERCENT (15%) OF EACH TOTAL PROJECT COST,  
6 ON OR BEFORE JANUARY 31;

7  
8 PROVIDED FURTHERMORE, THAT THE BIDDING AND THE  
9 AWARDING FOR SAID PROJECTS SHALL HAVE BEEN  
10 COMPLETED WITHIN SIXTY (60) DAYS AFTER THE  
11 ISSUANCE OF THE SARO;

12  
13 PROVIDED FINALLY, THAT THE NOTICE OF CASH  
14 ALLOCATION (NCA) (OR ITS EQUIVALENT), WHICH SHALL  
15 CONTAIN THE BALANCE OF THE TOTAL PROJECT COST,  
16 SHALL BE RELEASED AND COMPLETED WITHIN THIRTY  
17 DAYS AFTER THE AWARDING OF THE PROJECT TO  
18 IMPLEMENTOR.

19  
20 FAILURE TO COMPLY WITH ANY OF THE PROVISIONS THIS  
21 SECTION SHALL RENDER THE SECRETARIES OR THE  
22 CONCERNED STAFF LIABLE UNDER THE PENAL PROVISIONS  
23 OF THIS ACT.

24  
25 Sec. 8. Another new Section is hereby added to R.A. No. 7880 to read as

26 follows:

27  
28 “SEC. 13. MISCELLANEOUS PROVISIONS. – ALL REFERENCES  
29 TO THE “DEPARTMENT OF EDUCATION, CULTURE AND  
30 SPORTS” IN REPUBLIC ACT 7880 ARE ACCORDINGLY  
31 AMMENDED TO READ “DEPARTMENT OF EDUCATION (DEPED)”  
32 THE OTHER SECTIONS IN R.A. 7880 AFFECTED BY THE

1           **PRECEDING    SECTIONS    ARE    HEREBY    RENUMBERED**  
2           **ACCORDINGLY.**

4           Sec. 9. *Repealing Clause.* – All laws, presidential decrees, orders, rules and  
5    regulations and all other issuances or parts thereof, which are inconsistent with this  
6    Act are deemed repealed or modified accordingly.

7           Sec. 10. *Separability Clause.* – The provisions of this Act are hereby declared  
8    to be separable and, in the event any provision is declared unconstitutional, the other  
9    provisions which are not affected thereby shall remain in full force and effect.

10          Sec. 11. *Effectivity.* – This Act shall take effect fifteen (15) days following its  
11    publication in a newspaper of general circulation in the Philippines.

12

13          *Approved,*