

Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City, Metro Manila

FOURTEENTH CONGRESS
First Regular Session

House Bill No. 203

Introduced by **HON. EDGAR M. CHATTO**
1ST DISTRICT, BOHOL

EXPLANATORY NOTE

Republic Act NO. 7323, otherwise known as the Poor but Deserving Students Employment Act should be updated to benefit the on-the-job trainees and workers.

Some provisions of this law may not effectively address the desire of poor but deserving students for quality education.

This bill seeks to upgrade these provisions by: 1.) pegging the salary rate of trainees on the minimum wage for private employers and the applicable hiring rate for national and local government agencies, provided that their employment will not exceed 3 months and that students employed in activities related to their course will earn equivalent academic credits as determined by the appropriate government agencies; and 2.) indexing the income qualifications for the SPES to the annual national poverty threshold line for a family of six, to insulate it from the rigors of legislative amendments every time there is a shift in poverty line.

During the 13th Congress, this bill was transmitted by the House to the Senate and was referred to the Senate Committee on Labor and Employment on 1st Reading. But due to time constraints, it was never taken up again. This bill is therefore filed for the consideration of this Congress.

REP. EDGAR M. CHATTO

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Introduced by **HON. EDGAR M. CHATTO**
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AN ACT TO STRENGTHENING FURTHER AND BROADENING THE COVERAGE OF THE SPECIAL PROGRAM FOR EMPLOYMENT OF STUDENTS (SPES), AMENDING FOR THE PURPOSE CERTAIN PROVISIONS OF REPUBLIC ACT NO. 7323

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

SECTION 1. Section I of Republic Act NO. 7323, otherwise known as the *Special Program for Employment of Students* (SPES), is hereby amended to read as follows:

SECTION 1. Any provision of the law to the contrary notwithstanding, any person or entity employing [at least fifty (50)] MORE THAN TEN (10) persons may [, during Summer and/or Christmas vacations,] employ poor but deserving students, fifteen (15) years of age but not more than twenty five (25) years old, paying them a salary wage not lower than the minimum wage [provided by law and other applicable labor rules and regulations] FOR PRIVATE EMPLOYERS AND THE APPLICABLE HIRING RATE FOR THE NATIONAL AND LOCAL GOVERNMENT AGENCIES: *PROVIDED, HOWEVER, THAT THEIR EMPLOYMENT SHALL NOT EXCEED THREE (3) MONTHS: PROVIDED, FURTHER, THAT STUDENTS EMPLOYED IN ACTIVITIES RELATED TO THEIR COURSE SHALL EARN EQUIVALENT ACADEMIC CREDITS AS MAY BE DETERMINED*

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BY APPROPRIATE GOVERNMENT AGENCIES.

For purposes of this Act, poor but

deserving students refer to those whose parents' combined income[s], together with their [income] OWN, if any, do not exceed [thirty six thousand pesos (P36,000.00) per annum] THE ANNUAL NATIONAL POVERTY THRESHOLD LEVEL FOR A FAMILY OF SIX (6) FOR THE PRECEDING YEAR AS MAY BE DETERMINED BY THE NATIONAL STATISTICS COORDINATION BOARD (NSCB). Employment [should be at the Labor Exchange Center of the Department of Labor and Employment (DOLE)] FACILITATION SERVICES FOR APPLICANTS TO THE PROGRAM SHALL BE DONE BY THE PUBLIC EMPLOYMENT SERVICE OFFICE (PESO).

SEC. 2. Section 2 of the same law is hereby amended to read as follows:

SEC. 2. Sixty *percentum* (60%) of said salary or wage shall be paid by the employer in cash and forty *percentum* (40%) by the Government in the form of a voucher which shall be applicable in the payment for his tuition fees and books in any educational institution for secondary, tertiary, vocational or technological education. The amount of the educational voucher shall be paid by the Government to the educational institution concerned within thirty (30) days from its presentation to the officer or agency designated by the Secretary of Finance.

The voucher shall not be transferable except when the payee thereof dies of for a justifiable cause stops in his duties, in which case it can be transferred to his brothers or sisters. If there be none, the amount thereof shall be paid his heirs or to the payee himself, as the case may be.

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SEC. 3. Section 3 of the same law is hereby amended to read as follows:

SEC. 3. The Secretary of Labor and Employment, the Secretary of Education [,

Culture and Sports] THE CHAIRMAN OF THE COMMISSION ON HIGHER EDUCATION and the Secretary of Finance shall issue the corresponding rules and regulations to carry out the [purposes] PROVISIONS of this Act.

The Secretary of Labor and Employment shall be the [Project Director of this] [p] Program Chairman.

SEC. 4. Section 4 of the same law is hereby amended to read as follows:

SEC. 4. Any person or entity who shall make any fraudulent or fictitious claim under this Act, regardless of whether payment has been made, AND ANY PERSON OR ENTITY WHO REFUSES TO HONOR AN EDUCATION VOUCHER, shall, upon conviction, be punished with imprisonment of not less than six (6) months and not more than one (1) year and a fine of not less than ten thousand pesos (P10,000.00), without prejudice to their prosecution and punishment for any other offense punishable under the Revised Penal Code or any other penal statute.

In case of partnerships or corporations, the managing partner, general manager, or chief executive officer, as the case may be, shall be criminally liable.

SEC. 5. If any provision or part of this Act, or the application thereof to any person or circumstance is held invalid or unconstitutional, the remainder of this Act or the application of such provision or part thereof to other persons or circumstances shall not be affected thereby.

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SEC. 6. All laws, orders, issuances, rules and regulations or part thereof inconsistent with the provisions of this Act are hereby repealed, amended, or modified accordingly.

SEC. 7. This Act shall take effect fifteen (15) days after its publication in the *Official Gazette* or in at least two (2) newspapers of national circulation.

Approved,