COMMITTEE REPORT NO. 509

Submitted by the Committee on Poverty Alleviation on SEP 17 2020

Re: House Bill No. 7701

Recommending its approval in substitution to House Bills Numbered 4793, 4907 and 6100.


Mr. Speaker:

The Committee on Poverty Alleviation to which was referred House Bill Number 4793, introduced by Representative Lianda B. Bolilia, entitled:

“AN ACT ESTABLISHING THE NATIONAL FINANCIAL LITERACY COUNCIL AND APPROPRIATING FUNDS THEREFOR”

House Bill Number 4907, introduced by Representative John Marvin “Yul Servo” C. Nieto, entitled:

“AN ACT DECLARING A NATIONAL POLICY THE PROMOTION OF FINANCIAL LITERACY AS A TOOL FOR POVERTY ALLEVIATION AND NATIONAL DEVELOPMENT”

and

House Bill Number 6100, introduced by Representative Dale “Along” R. Malapitan, entitled:

“AN ACT DECLARING OCTOBER 31 AS ANNUAL NATIONAL SAVINGS AND FINANCIAL LITERACY DAY”
has considered the same and recommends that the attached House Bill No. 7701 entitled:

"AN ACT DECLARING OCTOBER 31 AS ANNUAL NATIONAL SAVINGS AND FINANCIAL LITERACY DAY"


Respectfully submitted,

REP. DALE "ALONG" R. MALAPITAN
Chairperson
Committee on Poverty Alleviation

THE HONORABLE SPEAKER
HOUSE OF REPRESENTATIVES
QUEZON CITY
AN ACT DECLARING OCTOBER 31 OF EVERY YEAR AS NATIONAL SAVINGS AND FINANCIAL LITERACY DAY

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

SECTION 1. Title. — This Act shall be known as the “National Savings and Financial Literacy Day Act”.

SEC. 2. Declaration of Policy. — It is the declared policy of the State to develop national consciousness on financial literacy by declaring October 31 of every year as “National Savings and Financial Literacy Day”. The State recognizes the need to promote financial literacy and the practice of saving as vital tools in improving the socio-economic condition of all Filipinos through achieving individual financial independence and in attaining a robust, inclusive, and sustainable national economy.

To this end, the State shall seek to:

a. Integrate financial literacy in the implementation of poverty alleviation programs to ensure their effectiveness and sustainability;

b. Promote financial literacy in all government and private workplaces;

c. Incorporate modules on financial literacy in basic educational system; and

d. Implement a wide-spread educational campaign on financial literacy through various media platforms.
SEC. 3. **Financial Literacy.** – As used in this Act, financial literacy refers to the combination of one’s understanding of financial products and concepts; the ability to appreciate financial risks and opportunities, the awareness about entities and institutions that can provide information and assistance, the capacity to make informed choices and to take other effective actions to improve one’s financial well-being. Its behavioral manifestation is the habitual practice of saving money.

SEC. 4. **National Savings and Financial Literacy Day.** – The 31st of October of every year is hereby designated as “National Savings and Financial Literacy Day”, and declared as a special working day.

SEC. 5. **Inter-Agency Committee on National Savings and Financial Literacy Day.** – An Inter-agency Committee is hereby created to plan, coordinate and implement activities for the National Savings and Financial Literacy Day.

SEC. 6. **Composition of the Inter-agency Committee on National Savings and Financial Literacy Day.** - The Committee shall be headed by the Secretary of Department of Finance or a duly designated representative. The Governor of the Bangko Sentral ng Pilipinas or a representative shall be the Vice Chairperson. The members of the Committee shall be the Secretary of the Department of Education, Secretary of the Department of Labor and Employment, Secretary of the Department of Interior and Local Government, Secretary of the Social Welfare and Development, and Secretary of the Department of Trade and Industry, the Chairperson of the Commission on Higher Education, Chairperson of the National Youth Commission, Chairperson of the Civil Service Commission, Commissioner of the Insurance Commission, Director-General of the Technical and Skills Development Authority, the Director-General of the Philippine Information Agency, or their respective representatives.

SEC. 7. **Functions of the Inter-agency Committee on National Savings and Financial Literacy Day.** The Committee is mandated to:

1. Raise the consciousness and ensure the acquisition of knowledge of the general public on the importance of savings as a means to alleviate poverty;

2. Encourage national government agencies, local government units, civil society organizations, private entities, academic institutions, and faith-based organizations in promoting the culture of saving and financial literacy;

3. Recommend concrete integration of financial literacy and the culture of saving in existing anti-poverty programs of the government; and

4. Give recognition to individual, community, and organizational entities that exemplified the value of savings and financial literacy in poverty alleviation.
SEC. 8. Activities of the Inter-agency Committee on National Savings and Financial Literacy Day. - The Committee shall undertake the following activities:

1. Knowledge acquisition activities like Financial Literacy Seminars and Fora in educational institutions, workplaces, and communities;

2. Development, distribution and sharing of information and educational materials on financial literacy through various means and media;

3. Establishment of savings mechanisms in educational institutions, organizations, and communities; and

4. Awarding of individuals, groups, LGUs, organizations or institutions which contributed to promoting saving and financial literacy in the country.

SEC. 9. Implementing Rules and Regulations. – Within six (6) months from the effectivity of this Act, the DOF, in coordination with the BSP and other concerned agencies, shall promulgate the rules and regulations to carry out the provisions of this Act.

SEC. 10. Separability Clause. – If any provision or part of this Act is held unconstitutional or invalid, the remaining parts or provisions not affected shall remain in full force and effect.

SEC. 11. Repealing Clause. – Any law, presidential decree or issuance, executive order, letter of instruction, administrative order, rule or regulation contrary to or inconsistent with the provisions of this Act is hereby repealed, amended or modified accordingly.

SEC. 12. Effectivity – This Act shall take effect fifteen (15) days after its publication in the Official Gazette or in a newspaper of general circulation.

Approved.
FACT SHEET

HOUSE BILL NO. 7701
(As Approved on February 18, 2020)

“AN ACT DECLARING OCTOBER 31 AS ANNUAL NATIONAL SAVINGS AND FINANCIAL LITERACY DAY”


Committee Referral: COMMITTEE ON POVERTY ALLEVIATION
Committee Chairperson: Rep. Dale “Along” R. Malapitan

OBJECTIVES:

To promote financial literacy and the practice of saving as vital tools in improving the socio-economic condition of all Filipinos through achieving individual financial independence and in attaining a robust, inclusive, and sustainable national economy.

The State shall seek to:

- Integrate financial literacy in the implementation of poverty alleviation programs to ensure their effectiveness and sustainability;
- Promote financial literacy in all government and private workplaces;
- Incorporate modules on financial literacy in the basic educational system; and
- Implement a wide-spread educational campaign on financial literacy through various media platforms.

KEY PROVISIONS:

- Defines financial literacy as the combination of one’s understanding of financial products and concepts; the ability to appreciate financial risks and opportunities, the awareness about entities and institutions that can provide information and assistance, the capacity to make informed choices and to take other effective actions to improve one’s financial well-being. Its behavioral manifestation is the habitual practice of saving money.
- Declares the 31st of October of every year is hereby designated as “National Savings and Financial Literacy Day”, and declared as a special working day.
- Mandates an Inter-agency Committee is hereby created to plan, coordinate and implement activities for the National Savings and Financial Literacy Day.
- Mandates the Committee to be composed of the Secretary of Department of Finance as Chairperson, the Governor of the Bangko Sentral ng Pilipinas as Vice Chairperson, and
the following as members: Secretary of the Department of Education, Secretary of the Department of Labor and Employment, Secretary of the Department of Interior and Local Government, Secretary of the Social Welfare and Development, and Secretary of the Department of Trade and Industry, the Chairperson of the Commission on Higher Education, Chairperson of the National Youth Commission, Chairperson of the Civil Service Commission, Commissioner of the Insurance Commission, Director-General of the Technical and Skills Development Authority, the Director-General of the Philippine Information Agency.

- Names the functions of the Inter-agency Committee, to wit:
  - Raise the consciousness and ensure the acquisition of knowledge of the general public on the importance of savings as a means to alleviate poverty;
  - Encourage national government agencies, local government units, civil society organizations, private entities, academic institutions, and faith-based organizations in promoting the culture of saving and financial literacy;
  - Recommend concrete integration of financial literacy and the culture of saving in existing anti-poverty programs of the government; and
  - Give recognition to individual, community, and organizational entities that exemplified the value of savings and financial literacy in poverty alleviation.

- Identifies the activities of the Inter-agency Committee on National Savings and Financial Literacy Day, namely:
  - Knowledge acquisition activities like Financial Literacy Seminars and Fora in educational institutions, workplaces, and communities;
  - Development, distribution and sharing of information and educational materials on financial literacy through various means and media;
  - Establishment of savings mechanisms in educational institutions, organizations, and communities; and
  - Awarding of individuals, groups, LGUs, organizations or institutions which contributed to promoting saving and financial literacy in the country

RELATED LAWS:

Republic Act No. 8367: “An Act Providing for the Regulation of the Organization And Operation of Non-Stock Savings and Loan Associations”

Republic Act No. 7653: “New Central Bank Act”

Republic Act No. 9520: “An Act Amending the Cooperative Code of the Philippines to be known as the "Philippine Cooperative Code of 2008”

Republic Act No. 10922: “An Act Declaring the Second Week of November of Every Year As Economic and Financial Literacy Week”