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SPONSORSHIP SPEECH | SB NO. 1864, CR NO. 26

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TRANSCRIPT  

SB NO. 1864, COMMITTEE REPORT NO. 26: STUDENT LOAN CONDONATIONS DURING DISASTERS AND CALAMITIES

Mr. President, Honorable Colleagues of this august Chamber:

​As Chairperson of the Committee on Higher, Technical and Vocational Education, I rise to sponsor Committee Report No. 26, which recommends the approval of Senate Bill No. 1864, entitled, “An Act Providing for a Moratorium on the Payment of Student Loans During Disasters and Other Emergencies.”

The Philippines is globally reckoned as the fourth most calamity-hit in the world, although one study places us on the second spot.

This geographical bad luck of sitting atop the Ring of Fire and serving as gateway to typhoons born in the Pacific account for this annual parade of natural disasters.

But man’s practices lead to manmade disasters as well, such as building settlements on natural flood catchment areas and turning them into disasters waiting to happen.

While the usual post-disaster reports tally school buildings destroyed or damaged, they do not, however, enumerate the number of students affected.

Specifically absent from the infra-centric count is the magnitude of students dropping out because a typhoon has altered their families’ fortunes for worse.

A school may survive a howler intact, but not all its students could. They are a disaster’s unreported collateral damage.

This bill provides a lifeline to a calamity’s hidden victims.

It declares a moratorium on the payment of what tertiary students financially owe their schools when these are within the jurisdiction of a national or a local declaration of a state of calamity.

That this is not loan forgiveness but a payment freeze is made abundantly clear in Section 5.

As this section forms the essence of this bill, let me highlight its salient points:

One, the moratorium covers all fees, charges, and costs relating to the student loans incurred for higher education and TVET programs.

Two, these obligations include those administered by the HEIs or TVIs themselves or by the Unified Student Financial Assistance System for Tertiary Education (UniFAST) Board, the CHED or any other government agency or instrumentality.

Three, it shall be in effect during the State of Calamity or Emergency and for 30 days after its lifting.

Four, availing the moratorium shall not adversely affect the students’ eligibility for re-enrollment or for graduation.

Five, deferred obligations shall bear no penalties or interests.

Six, nothing prevents schools from granting favorable payment terms or other forms of aid to their students.

Seven, it also does not prohibit students from not applying for moratorium, or in availing other forms of assistance from the government.

But this bill’s merits are not only found on its fair provisions – which strikes a balance between the need of students for relief and the need to survive by schools during hard times which impoverish them both – but in the philosophy which underpin them.

And this about the Filipino culture of “damayan” whenever a misfortune strikes, which schools, as beacons of enlightenment, should not only preach but practice.

And Congress has a history of coming to the aid of those in distress, be they towns submerged by floods, or banks swimming in a sea of red.

In fact, government had bailed out companies owned by billionaires, and Congress, in laws too many to count, has granted tax breaks and fiscal incentives, to industries too big to fail.

On this floor alone, not too long ago, provisions in the Bayanihan Law I and II were hammered out to provide billions in assistance to distressed companies, in amounts that dwarf the proposed Sovereign Wealth Fund.

Yung extended NOLCO or net operating loss carryover na lang, Php1.6 billion ang estimated foregone losses. Merong Php459 billion loan window to MSMEs. Php46 billion para sa Small Business Wage Subsidy.

At marami pa. Mahaba ang listahan ng pautang.

Habang ang bill na ito, hindi nagpapautang.

Walang cash out. No debt erasure. Ang sinasabi lang habang sa panahon ng may kalamidad, panandali-an munang i-hinto ang pagbayad ng mga school loans.

No massive restructuring of loans of the country club and the jet-set types.

Only a rescheduling, in weeks even, of payables of students, the future of this country who should be treated as the real “too big to fail” constituency.

Mr. President, my dear colleagues, let us pass this measure.