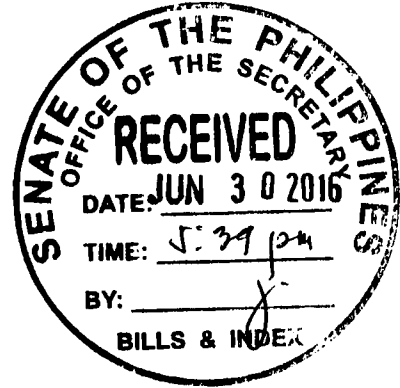


SEVENTEENTH CONGRESS OF THE REPUBLIC)
OF THE PHILIPPINES)
First Regular Session)



SENATE
S.B. No. 177

Introduced by: Senator Paolo Benigno "Bam" A. Aquino IV

AN ACT
PROVIDING FOR A FULL TUITION FEE SUBSIDY FOR STUDENTS ENROLLED IN STATE
UNIVERSITIES AND COLLEGES (SUCs), AND APPROPRIATING FUNDS THEREOF

EXPLANATORY NOTE

In the Philippines, 2 out of 5 high school graduates do not pursue tertiary education, hindered by the high tuition fees in addition to miscellaneous expenses incurred while studying. After spending many years working hard to make ends meet in order to put their children through school to obtain a high school diploma, it is often a disappointment to students who face the choice between working to help their family or sacrificing the education of other siblings so that one may be sent to college.

In line with the mandate of our Constitution, the State must uphold the right of all citizens to quality education at *all* levels. This bill seeks to make tertiary education in all State Universities and Colleges free of tuition for its students and fully subsidized by government.

Tertiary education is a valuable key that can help Filipino families break out of the poverty cycle, as families headed by tertiary degree holders earn, on average, two times as much as families who do not have postsecondary education.

However, higher education is often only available to middle-income families who can afford the high tuition fees and extra costs. As a result, these families continue to reap the benefits of obtaining a postsecondary education while poor families continue struggling to reach beyond their current economic situation.

In a nation with glaring income and educational inequality, the provision of tuition-free college education will be one great leap toward developing our fragile democracy. By unlocking this opportunity, poor and low-income families stand to benefit the most and will be empowered both economically and socially to be able to fully participate in our democratic nation.

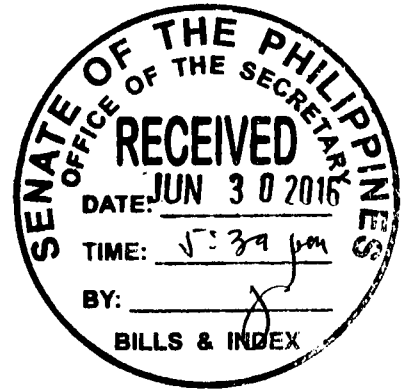
A college education is not only a qualification that results in higher paying jobs, but it is most importantly a means for the development of knowledge, innovation and social change in a nation. Supporting the growth of higher education in the Philippines will serve to heighten the quality of our workforce so that we may partake more meaningfully in the global production of knowledge.

A handwritten signature in black ink that reads "Bam Aquino". The signature is written in a cursive, flowing style.

Senator Paolo Benigno "Bam" A. Aquino IV

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

1 **SECTION. 1. Short Title.** – This Act shall be known as the "Free Higher
2 Education for All Act."

3 **SEC. 2. Declaration of Policy.** – It is hereby declared that accessible and
4 quality education is an inalienable right of the Filipino. Therefore, the State shall
5 renew its constitutionally mandated duty to make education its top budgetary
6 priority by providing free higher education for all students in state universities and
7 colleges.

8 **SEC. 3. Eligibility to the Full Tuition Subsidy.** – All Filipino citizens who are
9 either currently enrolled at the time of effectivity of this Act, or shall enroll at any
10 time thereafter, in courses in pursuance of a bachelor's degree, certificate degree, or
11 any comparable undergraduate degree in any state university or college shall be
12 exempt from paying tuition fees; *Provided*, That they meet the admission
13 requirements of the SUCs where they intend to enroll in.

14 **SEC. 4 . Exceptions to the Full Tuition Subsidy.** – The provisions of the next
15 preceding Section of this Act notwithstanding the following are hereby disqualified
16 and deemed ineligible for the full tuition subsidy:

- 17 a) Persons who have already attained a bachelors degree or equivalent
18 degree from any higher education institution, whether public or private;
19 b) Persons who have been dishonorably discharged from any higher
20 education institution, whether public or private, for any reason other
21 than financial difficulty in paying tuition and other fees;
22 c) Persons who have been convicted of any crime involving moral turpitude;

1 d) Persons who fail to regain good academic standing within their respective
2 state universities and colleges after one (1) year upon being placed on
3 academic probation or delinquent status.

4 **SEC. 5. *Special Tuition Subsidy Fund.*** – The Special Tuition Subsidy Fund,
5 hereinafter referred to as the Fund, is hereby established. The Fund shall be used
6 solely for the purpose of implementing the full tuition subsidy under the provisions
7 of this Act. Tuition fees for units enrolled by persons eligible for the tuition benefit
8 under the provisions of this Act, payable to state universities and colleges, shall be
9 paid from this Fund.

10 **SEC. 6. *Administration of the Fund.*** – The Fund shall be administered by the
11 Commission on Higher Education (CHED) and shall have the following powers and
12 functions:

- 13 a) Manage and administer the Fund;
14 b) Devise a reporting mechanism to be implemented by the state
15 universities and colleges which will detail the exact amount of tuition fee
16 subsidy availed of by persons eligible for the full tuition subsidy under this
17 Act;
18 c) Formulate and implement an efficient and transparent mechanism to
19 ensure the payment of tuition fees, using money from the Fund, to the
20 respective state universities and colleges, pursuant to this Act;
21 d) Resolve and mediate disputes concerning the ineligibility or
22 disqualification of persons from the full tuition subsidy under the
23 provisions of this Act or any other provision of this law; and
24 e) Any other powers or functions necessary for the implementation of the
25 provisions of this Act.

26 **SEC. 7. *Tuition Report.*** – The President of each state university or college
27 shall submit to the CHED, within five (5) days after the last day of late registration for
28 each semester, a report detailing the names of persons eligible for the full tuition
29 subsidy in their institution, as well as the amount of tuition fee due based on the
30 number of units enrolled.

31 **SEC. 8. *Payment from the Fund.*** – The CHED shall ensure the full payment of
32 tuition fees due to the state university or college, as reported under the next
33 preceding section of this Act, no later than thirty (30) days after the submission of
34 the report to the CHED; *Provided,* That the CHED shall reserve the right to withhold
35 or disallow the payment of any reported fees which are perceived to be anomalous
36 or irregular until further investigation has been conducted.

37 **SEC. 9. *Accountability Report.*** – At the end of each academic semester, the
38 President of each university or college shall submit to CHED a report reconciling the

1 funds received from the Fund. Any unused or improperly disbursed amount shall be
2 returned immediately to the Fund.

3 **SEC. 10. *Midterm Report.*** – Starting the first school year upon effectivity of
4 this Act, the CHED shall conduct a mandatory review and submit a midterm report to
5 Congress as to the status of implementation of this Act.

6 In this midterm report, the following key metrics of access to and quality of
7 public tertiary education:

- 8 a) Enrollment rate;
- 9 b) Student demographics;
- 10 c) Graduation rate;
- 11 d) Gross tuition receipts;
- 12 e) Disqualification and ineligibility;
- 13 f) Teachers' welfare and training profiles;
- 14 g) Adequacy of funding and training profiles;
- 15 h) Other educational quality indicators, including but not limited to physical
16 leaning infrastructures, teacher-to-student ratio and student housing.

17 **SEC. 11. *Appropriations.*** – The amount of Twenty Billion Pesos (P20,000,000)
18 is hereby initially appropriated from the Presidential Social Fund to implement the
19 provision of this Act. Thereafter, such amount necessary to effectively carry out the
20 provisions of this Act shall be included in the annual General Appropriations Act.

21 **SEC. 12. *Implementing Rules and Regulations.*** – Within sixty (60) days from
22 the effectivity of this Act, the CHED shall promulgate the implementing rules and
23 regulations necessary for the implementation of this Act.

24 **SEC. 13. *Separability Clause.*** – Should any provision herein be declared
25 unconstitutional, the same shall not affect the validity of the other provisions of this
26 Act.

27
28 **SEC. 14. *Repealing Clause.*** – All laws, decrees, orders, rules, and regulations
29 or other issuances or parts inconsistent with the provisions of this Act are hereby
30 repealed or modified accordingly.

31 **SEC. 15. *Effectivity.*** - This Act shall take effect fifteen (15) days after its
32 publication in the *Official Gazette* or in two (2) newspapers of general circulation in
33 the Philippines.

34 *Approved,*