

SENATE

Senate Bill No. 2035



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Introduced by SENATOR EDGARDO J. ANGARA

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EXPLANATORY NOTE

Studies show that out of every hundred Filipino children who enter Grade One only 69 reach grade 6 and only 48 complete high school and 18 finish college. The dropouts come mostly from the poorest regions – like Bicolandia and Eastern Visayas - which have also fallen way behind the other regions in development.

Throughout the years, the number of students entering the public schools continues to increase primarily because most families sent their children to public schools because of the unabated increase in tuition fees in private schools. In this regard, most of these public schools have become so congested and crowded thus, making it less conducive to learning.

It is unfortunate that some public schools cannot anymore accommodate new students because of insufficient school facilities like classrooms, desks and textbooks. The continuous increase in the emolument in public schools every year and the pressing budgetary problems of the government aggravate the classroom and desk backlog in schools.

The passage of the Expanded Government Assistance to Students and Teachers in Private Education (GASTPE) in 1998 offers many opportunities for the poor students who cannot afford to study in private schools by providing a financial assistance through the tuition fee supplements and education service contracting scheme.

Through the GASTPE law, the system of voucher system in tuition fee payment had been introduced. However, there is a need to further improve the system and increase the amount of assistance to students-grantees by amending some sections of the Expanded GASTPE law so that it can become more responsive to the needs of the students and the schools.

For the past years of implementation, we have seen that the financial assistance given to the students through the GASTPE is way below the per capita cost spent by the government in public schools. Hence, there is a need to increase the amount of the financial assistance because of the growing needs of the students both in the Secondary and tertiary levels.

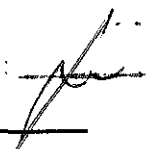
With the passage of this amendatory bill, we can improve the voucher support system provided to Secondary and tertiary students whose incomes are below the poverty line and cannot be accommodated by public educational institutions due to lack of facilities. This way, more poor Filipinos will have access to higher levels of education - even in private education - which had been denied to them in the past. For the abovementioned reasons, approval of this bill is earnestly urged.

  
**EDGARDO J. ANGARA**  
Senator

10 JUL 26 7:15

SENATE

Senate Bill No. 2035

RECEIVED BY: 

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Introduced by SENATOR EDGARDO J. ANGARA

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AN ACT  
AMENDING REPUBLIC ACT NO. 8545, OTHERWISE  
KNOWN AS THE "EXPANDED GOVERNMENT ASSISTANCE TO  
STUDENTS AND TEACHERS IN PRIVATE EDUCATION ACT"  
PROVIDING FOR AN EXPANDED VOUCHER OR COUPON SYSTEM  
IN SECONDARY AND TERTIARY EDUCATION, AND  
APPROPRIATING FUNDS THEREFOR

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

1           **SEC. 1.** Republic Act 8545, otherwise known as the "Expanded Government  
2 Assistance to Students and Teacher in Private Education Act," is hereby amended to read  
3 as follows:

4  
5           **SEC. 2.** Section 3 is hereby amended to read as follows:

6           "Criteria for Assistance. The programs for assistance to STUDENTS shall  
7 be based on a set of criteria which shall include among others, tuition fees  
8 charged by the schools, socio-economic needs of each region giving priority to  
9 the 5th AND 6th CLASS MUNICIPALITIES, overall performance of the  
10 PRIVATE schools, the academic qualifications and the financial STATUS of the  
11 PRIVATE schools, as well as the RATIO OF PUBLIC SCHOOLS VIS A VIS  
12 PRIVATE SCHOOLS and size of student population IN THE PUBLIC  
13 SCHOOLS IN THE AREA."

14           "In addition to the forgoing criteria, within such reasonable time as the  
15 State Assistance Council may determine, student grantees shall be enrolled in  
16 schools which have accredited programs or are applying for accreditation as may  
17 be recognized by the respective State Assistance Council."

18           "Preference shall be given to students whose annual income is BELOW  
19 THE POVERTY THRESHOLD INCOME AS MAYBE DETERMINED BY  
20 THE APPROPRIATE GOVERNMENT AGENCY."

21           THE STATE ASSISTANCE COUNCIL MAY ADJUST THE ANNUAL  
22 FAMILY INCOME QUALIFICATION DEPENDING ON THE CHANGES IN

1 THE ECONOMIC CIRCUMSTANCES AND CONDITIONS OF THE  
2 COUNTRY TO ACCOMMODATE MORE BENEFICIARIES.

3 "The programs of assistance under this Act shall be extended only to  
4 students who are citizens of the Philippines."

5

6 **SEC. 3.** Section 4 is hereby amended to read as follows:

7 "Forms of Assistance- Assistance to private education shall consist of  
8 assistance to students and teachers."

- 9 (1) Tuition fee Supplements for students in private high schools including  
10 vocational and technical courses;
- 11 (2) TRANSPORTATION AND/OR BOOK ALLOWANCES for Secondary and  
12 college students;
- 13 (3) EXPANSION OF THE voucher system of the Philippines Education Student  
14 Financial assistance Program ( PESFA);
- 15 (4) Expansion of the existing Educational Service Contracting Scheme;
- 16 (5) Scholarship grants to students graduating as valedictorians and salutatorians  
17 from Secondary schools;
- 18 (6) Tuition fee supplements to students in private colleges and universities;
- 19 (7) Education Loan Fund
- 20

21 "The following are forms of assistance to teachers and faculty in private  
22 education:

- 23 (1) In-service training fund for teachers in private high schools  
24 (2) College Faculty Development Fund
- 25

26 **SEC. 4.** FOR PURPOSES OF THIS ACT, THE TUITION FEE CEILING FOR  
27 PARTICIPATING PRIVATE SCHOOLS IN THE EDUCATION SERVICE  
28 CONTRACTING SCHEME AND TUITION FEE SUPPLEMENTS FOR HIGH  
29 SCHOOL STUDENTS AND PRIVATE EDUCATION STUDENT FINANCIAL  
30 ASSISTANCE FOR COLLEGE STUDENTS IS SET AT SIX THOUSAND PESOS  
31 (P6,000) PER SEMESTER. THE TUITION FEE CEILING MAY SERVE AS A BASIS  
32 OF SELECTING / ACCREDITING SCHOOLS THAT WOULD LIKE TO  
33 PARTICIPATE IN THE PROGRAMS UNDER GASTPE.

34 THE STATE ASSISTANCE COUNCIL SHALL REVIEW THE TUITION FEE  
35 CEILING ONCE EVERY TWO YEARS AND MAKE THE ADJUSTMENT AS  
36 DEEMED NECESSARY.

1           “The State Assistance Council shall have the discretion to allow the schools  
2 which charge higher tuition fee than the tuition fee ceiling to participate in the programs  
3 under GASTPE.”  
4

5           **SEC. 5.** Section 5 of RA 8545 is hereby amended to read as follows:

6           Tuition Fee Supplements in Private High Schools.

7           (1) Financial Assistance for tuition for students in private high schools  
8           shall be provided by the government through a voucher system in the  
9           following manner:

10                   (a) For students enrolled in schools charging NOT MORE  
11                   THAN SIX THOUSAND PESOS PER SEMESTER IN  
12                   TUITION AND OTHER FEES, the government shall  
13                   provide them with voucher in such an amount as may  
14                   be determined by the council. Provided, That the  
15                   government shall reimburse the vouchers from the  
16                   schools concerned within one hundred twenty (120)  
17                   days from the close of the registration period.  
18                   PROVIDED FURTHER THAT THE AMOUNT OF  
19                   TUITION FEE SUPPLEMENT SHALL BE AT  
20                   LEAST 20% OF THE PER CAPITA COST IN  
21                   PUBLIC HIGH SCHOOLS.

22                   (b) THE STATE ASSISTANCE COUNCIL MAY IN  
23                   SUBSEQUENT YEARS INCREASE THE AMOUNT  
24                   OF FINANCIAL ASSISTANCE FOR STUDENTS  
25                   UNDER THE TUITION FEE SUPPLEMENT  
26                   SUBJECT TO THE AVAILABILITY OF FUNDS.

27           (2) Assistance under Paragraph (1), subparagraph (a) shall be guaranteed  
28           to all private high schools participating in the program for a number of  
29           slots as of the effectivity of this Act as the total number of students  
30           who availed of tuition fee supplements for SCHOOL YEAR 2000-  
31           2001. Provided That the State Assistance Council may in subsequent  
32           years determine additional slots and/or additional participating high  
33           schools as may be deemed necessary.  
34

35           **SEC. 6.** Section 6 is hereby amended as follows:

36           HIGH SCHOOL TEXTBOOK ASSISTANCE FUND FOR SCHOOLS  
37 CHARGING NOT MORE THAN SIX THOUSAND PESOS PER SEMESTER, THE  
38 GOVERNMENT SHALL PROVIDE THE STUDENT WITH TEXTBOOK

1 ALLOWANCE WHICH IS EQUIVALENT TO AT LEAST ONE THOUSAND PESOS  
2 (P1, 000) A YEAR OR THE ANNUAL PER CAPITA TEXTBOOK ALLOCATION  
3 PER STUDENT FOR ACADEMIC SUBJECTS IN PUBLIC SCHOOLS, WHICHEVER  
4 IS HIGHER. PROVIDED THAT THE TEXTBOOK ALLOWANCE MAY BE GIVEN  
5 TO BENEFICIARIES OF TUITION FEE SUPPLEMENTS AND/OR EDUCATION  
6 SERVICE CONTRACTING SCHEME FOR THE HIGH SCHOOL STUDENTS AND  
7 PRIVATE EDUCATION STUDENT FINANCIAL ASSISTANCE FOR COLLEGE  
8 STUDENTS.

9  
10 **SEC. 7.** Section 7 is hereby amended as follows:

11 **EDUCATIONAL SERVICE CONTRACTING SCHEME-**

12 (a) THE DEPARTMENT OF EDUCATION, CULTURE AND SPORTS  
13 SHALL CONTINUE TO ENTER INTO CONTRACTS WITH  
14 PRIVATE SCHOOLS WHEREBY THE GOVERNMENT SHALL  
15 PROVIDE DIRECT FINANCIAL ASSISTANCE TO THE  
16 STUDENTS WHO WANT TO ENROLL IN PRIVATE SCHOOLS  
17 BUT DO NOT HAVE THE FINANCIAL CAPABILITY TO  
18 AFFORD THE TUITION FEE IN THESE SCHOOLS.

19 (b) The Department shall also enter into contracts with private schools  
20 ACCREDITED BY THE DECS particularly in communities where  
21 THE PUBLIC SCHOOLS CANNOT ACCOMMODATE THE  
22 STUDENTS DUE TO THE INCREASING STUDENT  
23 POPULATION, in which case the Department shall PROVIDE  
24 FINANCIAL ASSISTANCE WHICH MAY COVER THE TUITION  
25 AND OTHER FEES OF STUDENTS WHO SHALL ENROLL-IN  
26 SAID PRIVATE SCHOOLS.

27 (c) FOR STUDENTS ENROLLED IN SCHOOLS CHARGING NOT  
28 MORE THAN SIX THOUSAND PESOS PER SEMESTER IN  
29 TUITION AND OTHER FEES, the amount of assistance to be given  
30 by the government shall be EQUAL to the per student cost in public  
31 high schools.

32 (d) The Department shall fully pay the subsidized amount to participating  
33 schools not later than one hundred eighty (180) days from the close of  
34 the registration period.

35 (e) The amount of assistance shall be allocated and distributed among the  
36 16 regions in proportion to the total population as well as the high  
37 school age population for the first school year;

1 (f) The amount of assistance to private high schools participating in the  
2 program shall be guaranteed for a number of slots as of the effectivity  
3 of this Act as the number of students availing of educational service  
4 contracting for SCHOOL YEAR 2000-2001: Provided that the State  
5 Assistance Council may in subsequent years determine additional slots  
6 and/or additional participating private high schools as may be deemed  
7 necessary.”

8 (g) IN CASES WHERE THE AMOUNT OF THE TUITION FEES AND  
9 OTHER FEES OF THE SCHOOL EXCEEDS THE AMOUNT OF  
10 SUBSIDY PRESCRIBED BY THE STUDENT ASSISTANCE  
11 COUNCIL, THE PRIVATE SCHOOL MAY SHOULDER THE  
12 CORRESPONDING BALANCE AS COUNTERPART FUNDING.

13 (h) THE STATE ASSISTANCE COUNCIL MAY IN SUBSEQUENT  
14 YEARS INCREASE THE AMOUNT OF FINANCIAL  
15 ASSISTANCE FOR STUDENTS UNDER THE ESC PROGRAM  
16 SUBJECT TO THE AVAILABILITY OF FUNDS.

17  
18 **SEC. 8. TRANSPORTATION ALLOWANCE.** FOR THE STUDENT  
19 BENEFICIARIES OF THE EDUCATION SERVICE CONTRACTING AND TUITION  
20 FEES SUPPLEMENTS PROGRAM AT THE HIGH SCHOOL LEVEL AND PRIVATE  
21 EDUCATION STUDENT FINANCIAL ASSISTANCE AT COLLEGE LEVEL, WHO  
22 LIVE AT LEAST WITHIN 3 KILOMETER RADIUS FROM THE SCHOOL WHERE  
23 THEY ARE ENROLLED SHALL BE ENTITLED WITH A CORRESPONDING  
24 TRANSPORTATION ALLOWANCE WHICH SHALL BE DETERMINED BY THE  
25 STATE ASSISTANCE COUNCIL.

26  
27 **SEC. 9. ASSISTANCE TO COLLEGE FRESHMEN** - Subparagraph (a) of  
28 Section 8 of RA 8545 is hereby amended as follows:

29 THE VOUCHER SYSTEM OF PRIVATE EDUCATION STUDENT  
30 FINANCLAL ASSISTANCE (PESFA) PROGRAM. THE GOVERNMENT  
31 SHALL UNDERTAKE AN ANNUAL 10% INCREASE IN THE AMOUNT OF  
32 ASSISTANCE PROVIDED UNDER THE PESFA PROGRAM COVERING  
33 THE TUITION FEE, BOOK ALLOWANCE AND/OR TRANSPORTATION  
34 ALLOWANCE AND STIPEND SO AS TO HELP THE STUDENTS COPE  
35 WITH THE INCREASING COST OF EDUCATION, SUBJECT TO THE  
36 AVAILABILITY OF FUNDS. PROVIDED THAT THE TUITION FEE  
37 CEILING FOR SCHOOLS IS SIX THOUSAND PESOS ( P6,000) PER  
38 SEMESTER. PROVIDED FURTHER THAT SUCH FINANCIAL

1 ASSISTANCE SHALL BE GRANTED TO DESERVING AND  
2 UNDERPRIVILEGED STUDENTS WHO SHALL BE SELECTED ON THE  
3 BASIS OF FAMILY INCOME, GEOGRAPHIC SPREAD AND RESULTS OF  
4 COMPETITIVE EXAMINATIONS GIVEN BY CHED FOR DEGREE  
5 COURSES PROVIDED FINALLY, THAT THE CHED SHALL DIRECTLY  
6 PAY THE AMOUNT COVERING THE TUITION FEE EXPENSES TO THE  
7 PARTICIPATING SCHOOLS. HOWEVER, THE STIPEND OF EACH  
8 STUDENT BENEFICIARY SHALL BE CLAIMED IN THE NEAREST CHED  
9 OR TESDA REGIONAL OFFICE.

10 THE CHED SHALL REVIEW AND EVALUATE THE PRESENT  
11 COURSES OF STUDENTS WHICH ARE CONSIDERED PRIORITY IN THE  
12 GRANTING OF FINANCIAL ASSISTANCE TO MAKE THE LIST OF  
13 COURSES MORE RELEVANT TO THE NEEDS OF THE COUNTRY.

14 FOR PURPOSES OF THIS ACT, AN UNDERPRIVILEGED STUDENT  
15 SHALL REFER TO A STUDENT WHOSE GROSS INCOME, IN ANY AND  
16 THAT OF THE COMBINED ANNUAL GROSS INCOME OF HIS/HER  
17 PARENTS IS BELOW THE POVERTY THRESHOLD INCOME.

18  
19 **SEC. 10. SCHOLARSHIP FUND IN PRIVATE HIGH SCHOOLS, COLLEGES**  
20 **AND UNIVERSITIES.-** THE PARTICIPATING PRIVATE SCHOOLS IN THE  
21 GASTPE PROGRAM MAY INSTITUTIONALIZE COUNTERPART FUNDING TO  
22 FINANCE THE EDUCATION SERVICE CONTRACTING SCHEME, TEXTBOOK  
23 ASSISTANCE PROGRAM AND THE PRIVATE EDUCATION STUDENT  
24 FINANCIAL, ASSISTANCE PROGRAM. THE PRIVATE SCHOOLS ARE HEREBY  
25 ENJOINED TO PROVIDE A COUNTERPART OF AT LEAST 20% OF THE  
26 BENEFICIARIES.

27 THE PRIVATE SCHOOLS WHICH ARE NOT PARTICIPATING IN THE  
28 PROGRAM MAY ALSO ALLOCATE A PORTION OF THEIR GROSS INCOME TO  
29 SCHOLARSHIP AND FINANCIAL ASSISTANCE FOR POOR BUT DESERVING  
30 STUDENTS.

31  
32 **SEC. 11. CONDITIONS FOR TUITION FEE SUBSIDY. -** ASSISTANCE  
33 PROVIDED IN THE PRECEDING SECTIONCTIONS SHALL BE GRANTED ON THE  
34 CONDITION THAT SEVENTY PERCENT (70%) OF THE AMOUNT SUBSIDIZED  
35 SHALL GO TO THE PAYMENT OF SALARIES, WAGES, ALLOWANCES AND  
36 OTHER ADMINISTRATORS WHO ARE PRINCIPAL STOCKHOLDERS OF THE  
37 SCHOOL, AND MAY BE USED TO COVER INCREASES AS PROVIDED FOR IN  
38 THE COLLECTIVE BARGAINING AGREEMENTS EXISTING OR IN FORCE



1 UPON THE EFFECTIVITY OF THIS ACT. PROVIDED THAT AT LEAST 20%  
2 SHALL GO TO THE IMPROVEMENT OR MODERNIZATION OF BUILDINGS,  
3 EQUIPMENT, LIBRARIES, LABORATORIES, GYMNASIA AND SIMILAR  
4 FACILITIES AND TO THE PAYMENT OF OTHER COSTS OF OPERATION. FOR  
5 THIS PURPOSE, THE SCHOOL SHALL MAINTAIN A SEPARATE RECORD OF  
6 ACCOUNTS FOR ALL ASSISTANCE RECEIVED FROM THE GOVERNMENT,  
7 ANY TUITION FEE INCREASE AND THE DETAILED DISPOSITION AND USE  
8 THEREOF. WHICH RECORD SHALL BE MADE AVAILABLE FOR PERIODIC  
9 INSPECTION AS MAY BE DETERMINED BY THE STATE ASSISTANCE  
10 COUNCIL.

11  
12 **SEC. 12. APPROPRIATIONS**

13 THE DEPARTMENT OF EDUCATION MAY UTILIZE ITS SAVINGS FROM  
14 ANY ITEM OF APPROPRIATION IN FISCAL YEAR 2001. PROVIDED THAT ANY  
15 DEFICIENCY SHALL BE TAKEN FROM ANY OR ALL OF THE FOLLOWING  
16 SOURCES:

- 17 (1) TWENTY PERCENT (20%) OF THE TRAVEL TAX AND  
18 AIRPORT DEPARTURE TAX COLLECTIONS;
- 19 (2) TEN PERCENT (10%) OF ANY FUNDS COLLECTED BY THE  
20 SUGAR REGULATORY ADMINISTRATION OF THE  
21 PHILIPPINES COCONUT AUTHORITY
- 22 (3) TEN PERCENT (10%) OF THE NET INCOME OF THE  
23 DEVELOPMENT ACADEMY OF THE PHILIPPINES
- 24 (4) PORTIONS OF THE OVERSEAS WELFARE FUND TO BENEFIT  
25 THE DEPENDENTS OR CHILDREN OF OVERSEAS WORKERS;
- 26 (5) ANY OTHER LUMP SUM APPROPRIATIONS OR  
27 COLLECTIONS UNDER THE SUPERVISION AND CONTROL OF  
28 THE OFFICE OF THE PRESIDENT.

29 PROVIDED, FINALLY THAT THE TOTAL AMOUNT MADE AVAILABLE TO  
30 CARRY OUT THE PURPOSES OF THIS ACT SHALL NOT EXCEED ONE BILLION  
31 PESOS (P1,000,000,000.00) FOR FISCAL YEAR 2001. THEREAFTER, SUCH  
32 AMOUNT AS MAY BE NECESSARY FOR ITS CONTINUED IMPLEMENTATION  
33 SHALL BE INCLUDED IN THE ANNUAL GENERAL APPROPRIATIONS ACT.

34  
35 **SEC. 13. Penalties.** In case of any violation of the provisions of this Act or the  
36 rules and regulations promulgated pursuant thereto by an institution, the Department of  
37 Education (DepED) or the Commission on Higher Education, upon the recommendation  
38 of the State Assistance Council, may bar the institution from participating in or benefiting

1 from the programs of this Act, and from other programs of the DepED and the CHED,  
2 without prejudice to administrative and criminal charges as may be filed against the  
3 school and or its responsible officers under existing laws.

4  
5 **SEC. 14.** The Senate Committee on Education and House Committee on Basic  
6 Education shall oversee the implementation of the Expanded Voucher System in  
7 coordination with the State Assistance Council. The State Assistance Council shall  
8 submit to Congress an annual accomplishment report on the implementation of this Act.

9  
10 **SEC. 15.** The State Assistance Council led by the Department of Education,  
11 Commission on Higher Education and Technical Education and Skills Development  
12 Authority shall formulate rules and regulations necessary for the smooth implementation  
13 of this Act within a period of sixty (60) days from the day of its effectivity.

14  
15 **SEC. 16. *Repealing Clause.*** All laws and decrees and such letters of instruction,  
16 rules and regulations or parts thereof which are inconsistent with this Act are hereby  
17 repealed or modified accordingly.

18  
19 **SEC. 17 *Separability Clause.*** If any provision of this Act is declared  
20 unconstitutional, the same shall not affect the validity and effectivity of the other  
21 provisions not affected thereby.

22  
23 **SEC. 18. *Effectivity Clause.*** This Act shall take effect immediately upon its  
24 publication in at least two newspaper of general circulation.

25  
26 *Approved,*