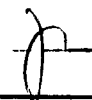


SEVENTEENTH CONGRESS OF THE )  
REPUBLIC OF THE PHILIPPINES )  
First Regular Session )

Office of the Secretary

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SENATE  
S.B. No. 962

RECEIVED BY: 

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Introduced by Senator Francis N. Pangilinan

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

**EXPLANATORY NOTE**

The 1987 Philippine Constitution provides that "the State shall protect and promote the right of all citizens to quality education at all levels and shall take appropriate steps to make such education accessible to all."

According, however, to the 2013 Functional Literacy, Education and Mass Media Survey (FLEMMS), one (1) in every ten (10) children or about four million (4,000,000) Filipino children and youth (population aged 6 to 24 years) were out-of-school in 2013. Further, the proportion of persons who were out-of-school was higher among the youth. Results from the survey further show that among the primary reasons for not attending school were insufficient family income and high cost of education.

It is crucial, thus, that the State provides all the necessary avenues for every Filipino to have an equal opportunity to acquire a college degree required in joining a more competitive and profitable working environment.


This measure seeks to provide a full tuition subsidy to students enrolled in SUCs to alleviate their burden of paying high tuition fees and encourage them to pursue and complete tertiary education.

In view of the foregoing, the approval of this measure is strongly recommended.

  
FRANCIS N. PANGILINAN  
Senator

SENATE

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THEREFOR**

*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 "*Tuition-Free Higher*  
2     *Education Act of 2016.*"

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

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

13    **SEC. 4. Special Tuition Subsidy Fund.** - The Special Tuition Subsidy Fund,  
14    hereinafter referred to as the Fund, is hereby established. The Fund shall be used  
15    solely for the purpose of implementing the full tuition subsidy under the provisions of this  
16    Act. Tuition fees for units enrolled by persons eligible for the tuition benefit under the  
17    provisions of this Act, payable to state universities and colleges, shall be paid from this  
18    Fund.

1       **SEC. 5. Administration of the Fund.** - The Fund shall be administered by the  
2 Commission on Higher Education and shall have the following powers and functions:

- 3           a) Manage and administer the Fund;
- 4           b) Devise a reporting mechanism to be implemented by the state universities  
5           and colleges which will detail the exact amount of tuition fee subsidy availed  
6           of by persons eligible for the full tuition subsidy under this Act;
- 7           c) Formulate and implement an efficient and transparent mechanism to ensure  
8           the payment of tuition fees, using money from the Fund, to the respective  
9           state universities and colleges, pursuant to the provisions of this Act;
- 10          d) Resolve and mediate disputes concerning the ineligibility or disqualification of  
11          persons from the full tuition subsidy under the provisions of this Act or any  
12          other provision of law; and
- 13          e) Any other powers or functions necessary for the implementation of the  
14          provisions of this Act.

15       **SEC. 6. Tuition Report.** - The President of each state university or college shall  
16 submit to the Commission on Higher Education (CHED), within five (5) days after the  
17 last day of late registration for each semester, a report detailing the names of persons  
18 eligible for the full tuition subsidy in their institution, as well as the amount of tuition fee  
19 due based on the number of units enrolled.

20       **SEC. 7. Payment from the Fund.** - The CHED shall ensure the full payment of  
21 tuition fees due to the state university or college, as reported under the next preceding  
22 section of this Act, no later than thirty (30) days after the submission of the report to the  
23 CHED: *Provided*, That the CHED shall reserve the right to withhold or disallow the  
24 payment of any reported fees which are perceived to be anomalous or irregular until  
25 further investigation has been conducted.

26       **SEC. 8. Accountability Report.** - At the end of each academic semester, the  
27 President of each state university or college shall submit to the CHED a report  
28 reconciling the funds received from the Fund. Any unused or improperly disbursed  
29 amount shall be returned immediately to the Fund.

30       **SEC. 9. Midterm Report.** - Starting the first school year upon the effectivity of this  
31 Act, the CHED shall conduct a mandatory review and submit a midterm report to  
32 Congress as to the status of implementation of this Act.

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

- 3 a) Enrollment rate;
- 4 b) Student demographics;
- 5 c) Graduation rate;
- 6 d) Gross tuition receipts;
- 7 e) Disqualification and ineligibility;
- 8 f) Teachers' welfare and training profiles;
- 9 g) Adequacy of funding requirements; and
- 10 h) Other educational quality indicators, including but not limited to physical  
11 learning infrastructure, teacher-to-student ratio, and student housing.

12 **SEC. 10. Appropriations.** - The amount necessary to carry out the implementation  
13 of this Act shall be initially charged against the fifty percent (50%) share of the National  
14 Government from the annual gross income of the Philippine Amusement and Gaming  
15 Corporation (PAGCOR). Thereafter, such amounts necessary to effectively carry out the  
16 provisions of this Act shall be included in the annual General Appropriations Act.

17 **SEC. 11. Implementing Rules and Regulations.** - Within (60) days from the  
18 effectivity of this Act, the CHED shall promulgate the implementing rules and regulations  
19 necessary to ensure the efficient and effective implementation of this Act.

20 **SEC. 12. Separability Clause.** - Should any part of this Act be declared  
21 unconstitutional, the rest of the provisions of this Act shall continue to be in effect and  
22 subsisting.

23 **SEC. 13. Repealing Clause.** - The provisions of other laws, decrees, executive  
24 orders, rules and regulations inconsistent with this Act are hereby repealed, amended,  
25 or modified accordingly.

26 **SEC. 14. Effectivity Clause.** - This Act shall take effect fifteen (15) days after its  
27 publication in the Official Gazette or in at least two (2) national newspapers in general  
28 circulation.

*Approved,*