SEVENTEENTH CONGRESS OF THE REPUBLIC OF THE PHILIPPINES First Regular Session



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### SENATE

S.B. No. 1220

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# Introduced by: Senator Sonny Angara

### **EXPLANATORY NOTE**

Poverty alleviation and global competitiveness can be achieved by fostering human development through proper education. Poverty incidence among Filipinos in 2015 was estimated at 26.3 percent.

Based on studies conducted by the United Nations, unemployment and underemployment lie at the core of poverty. For the poor, labor is often the only asset they can use to improve their well-being. Hence, the creation of productive employment opportunities and providing the tool to maximize these opportunities are essential in achieving poverty reduction, and sustainable economic and social development.

In recognition of the strategic role of state universities and colleges (SUCs) in national development, their budget has almost doubled in 5 years from P22.03 billion in 2011 to P42.28 billion in 2015. But more needs to be done in order to alleviate the plight of students, especially from poor families. According to the 2013 Functional Literacy, Education and Mass Media Survey (FLEMMS), one in every 10 or about 4 million Filipino children and youth were out-of-school in 2013, and one of the primary reasons for not attending school was the high cost of education.

Our country's per capita expenditure in higher education is a far cry from our neighboring countries with Indonesia, Thailand and Vietnam investing more than twice as much as the Philippines, while Malaysia and Singapore spending about 17 and 29 times more respectively.

Given the importance of education in uplifting the lives of Filipinos, it is imperative that the government provide more funding to tertiary education and make it more accessible by granting free higher education to all students. Higher education, in reality, does not only develop students into competent individuals sought by the labor market, it likewise improves their life skills. In view of the forgoing, the passage of this bill is earnestly sought.

**SONNY ANGARA** 

SEVENTEENTH CONGRESS OF THE REPUBLIC OF THE PHILIPPINES First Regular Session

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## SENATE

# S.B. No. 1220

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## AN ACT

# PROVIDING FOR A FULL TUITION FEE SUBSIDY, INCLUDING MISCELLANEUOS EXPENSES, FOR STUDENTS ENROLLED IN STATE UNIVERSITIES AND COLLEGES (SUCs), AND APPROPRIATING FUNDS THEREOF

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

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

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

9 SEC. 3. Eligibility to the Full Tuition and Miscellaneous Fees Subsidy. – All Filipino 10 citizens who are either currently enrolled at the time of effectivity of this Act, or shall enroll at 11 any time thereafter, in courses in pursuance of a bachelor's degree, certificate degree, or any 12 comparable undergraduate degree in any state university or college shall be exempt from paying 13 tuition and miscellaneous fees; Provided, That they meet the admission requirements of the 14 SUCs where they intend to enroll in.

SEC. 4. Exceptions to the Subsidy. – The provisions of the next preceding Section of the
 Act notwithstanding, the following are hereby disqualified and deemed ineligible for the full
 tuition and miscellaneous fees subsidy:

- a) Persons who have already attained a bachelor's degree or equivalent degree from any higher education institution, whether public or private.
- b) Persons who have been dishonorably discharged from any higher education institutions, whether public or private, for any reason other than financial difficulty in paying tuition and other fees;
- c) Persons who have been convicted of any crime involving moral turpitude;
- d) Persons who fail to regain good academic standing within their respective state universities and colleges after one (1) year upon being placed on academic probation or delinquent status.

30 SEC. 5. Special Tuition and Miscellaneous Fees Subsidy Fund. – The Special Tuition 31 Subsidy Fund, hereinafter referred to as the Fund, is hereby established. The Fund shall be used 32 solely for the purpose of implementing the full tuition and miscellaneous fees subsidy under the 33 provisions of this Act. Tuition fees for units enrolled by persons eligible for the tuition benefit 34 under the provisions of this Act, as well as miscellaneous fees, payable to state universities and 35 colleges, shall be paid from this Fund.

| 1        | <b>SEC. 6.</b> Administration of the Fund. – The Fund shall be administered by the Commission  |
|----------|--|
| 2        | on Higher Education (CHED) and shall have the following powers and functions:  |
| 3        |  |
| 4        | a) Manage and administer the Fund;   |
| 5        | b) Devise a reporting mechanism to be implemented by the state universities and college  |
| 6        | which will detail the exact amount of tuition fee subsidy availed of by persons eligible   |
| 7        | for the full tuition subsidy under this Act;   |
| 8        | c) Formulate and implement an efficient and transparent mechanism to ensure the  |
| 9        | payment of tuition fees, using money from the Fund, to the respect state universities  |
| 10       | and colleges, pursuant to this Act;  |
| 11       | d) Resolve and meditate disputes concerning the ineligibility or disqualification of   |
| 12<br>13 | persons from the full tuition subsidy under the provisions of this Act or any other  |
| 13<br>14 | provision of this law; and   |
| 14<br>15 | e) Any other powers or function necessary for the implementation of the provisions of this Act.  |
| 16       | tills Act.   |
| 10       | SEC 7 Tuition Danant The President of each state university or called 1 11 1   |
| 18       | <b>SEC. 7.</b> <i>Tuition Report.</i> – The President of each state university or college shall submit to the CHED, within the five (5) days after the last day of late registration for each semester, a report |
| 10<br>19 | detailing the names of persons eligible for the full tuition subsidy in their institution, as well as the  |
| 20       | amount of tuition fee due based on the number of units enrolled.   |
| 21       | another of fution fee due based on the number of units enfonce.  |
| 22       | SEC. 8. Payment from the Fund. – The CHED shall ensure the full payment of tuition and   |
| 23       | miscellaneous fees due to the state university or college, as reported under the next preceding  |
| 24       | section of this Act, no later than thirty (30) days after the submission of the report to the CHED;  |
| 25       | <i>Provided</i> , That the CHED shall reserve the right to withhold or disallow the payment of any   |
| 26       | reported fees which are perceived to be anomalous or irregular until further investigation has been  |
| 27       | conducted.   |
| 28       |  |
| 29       | SEC. 9 Accountability Report At the end of each academic semester, the President of  |
| 30       | each university or college shall submit to CHED a report reconciling the funds received from the   |
| 31       | Fund. Any unused or improperly disbursed amount shall be returned immediately to the Fund.   |
| 32       |  |
| 33       | SEC. 10. Midterm Report Starting the first school year upon effectivity of this Act, the   |
| 34       | CHED shall conduct a mandatory review and submit a midterm report to Congress as to the status   |
| 35       | of implementation of this Act.   |
| 36       |  |
| 37       | In this midterm report, the following key metrics of access to and quality of public tertiary  |
| 38       | education:   |
| 39       |  |
| 40       | a) Enrollment rate;  |
| 41       | b) Student demographics;   |
| 42       | c) Graduation rate;  |
| 43       | d) Gross tuition receipts;   |
| 44<br>45 | e) Disqualification and ineligibility;   |
| 45<br>46 | <ul> <li>f) Teachers' welfare and training profiles;</li> <li>c) Adaptage of funding and training profiles;</li> </ul>   |
| 40       | <ul><li>g) Adequacy of funding and training profiles;</li><li>h) Other educational quality indicators, including but not limited to physical leaning</li></ul>   |
| 47       | infrastructures, teacher-to-student ration and student housing.  |
| 40<br>49 | minustructures, teacher-to-student ration and student nousing.   |
| 49<br>50 | SEC. 11. Appropriations. – The amount of Twenty Billion Pesos (P20,000,000) is hereby  |
| 50<br>51 | initially appropriated from the Presidential Social Fund to implement the provision of this Act.   |
| 52       | Thereafter, such amount necessary to effectively carry out the provisions of this Act shall be   |
| 53       | included in the annual General Appropriations Act.   |
| 54       |  |
|          |  |

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1 SEC. 12. Implementing Rules and Regulations. – Within sixty (60) days from the 2 effectivity of this Act, the CHED shall promulgate the implementing rules and regulations 3 necessary for the implementation of this Act.

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

8 SEC. 14. Repealing Clause. - All laws, decrees, orders, rules and regulations or other
 9 issuances or parts inconsistent with the provisions of this Act are hereby repealed or modified
 10 accordingly.

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

Approved,

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