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SENATE

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SENATE BILL NO. 1864

Prepared and submitted by the Committee on Higher, Technical and Vocational Education with Senators Lapid and Escudero as authors thereof

1 **AN ACT**
2 **PROVIDING FOR A MORATORIUM ON THE PAYMENT OF STUDENT LOANS**
3 **DURING DISASTERS AND OTHER EMERGENCIES**

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

4 Section 1. *Short Title.* – This Act shall be known as the "*Student Loan*
5 *Payment Moratorium During Disasters and Emergencies Act*".

6 Sec. 2. *Declaration of Policy.* – It is hereby declared the policy of the State to
7 protect and promote the right of all citizens to quality education at all levels and to
8 ensure that such education is accessible to all. In line with this declared policy, and
9 in cognizance of the need to provide adequate relief and protection to Filipinos in
10 crisis situations, the State shall authorize the deferral of student loan collection for a
11 reasonable period during and after the onset of disasters and other emergencies.

12 Sec. 3. *Definition of Terms.* – For the purposes of this Act:

- 13 (a) *Disaster* shall refer to the following: (i) a serious disruption of the
14 functioning of a community or a society involving widespread human,
15 material, economic or environmental losses and impacts, which exceeds
16 the ability of the affected community or society to cope using its own
17 resources; (ii) the result of the combination of: the exposure to a
18 hazard, the conditions of vulnerability that are present, and insufficient
19 capacity or measures to reduce or cope with the potential negative

- 1 consequences; and (iii) an event that causes loss of life, injury, disease
2 and other negative effects on human, physical, mental and social well-
3 being, together with damage to property, destruction of assets, loss of
4 services, social and economic disruption and environmental degradation;
- 5 (b) *Emergency* shall refer to an unforeseen or sudden occurrence, especially
6 danger, demanding immediate action;
- 7 (c) *Higher Education* shall refer to the stage of formal education, or its
8 equivalent, requiring completion of secondary education and covering
9 programs of study leading to bachelor and advanced degrees, including
10 associate degrees;
- 11 (d) *Higher Education Institution (HEI)* shall refer to an education institution
12 authorized and recognized by the Commission on Higher Education
13 (CHED) to offer bachelor's degrees or graduate courses;
- 14 (e) *Local Universities and Colleges (LUCs)* shall refer to duly accredited
15 public HEIs established by local government units (LGUs) through an
16 enabling ordinance, financially supported by the LGU concerned, and
17 compliant with the policies, standards and guidelines of CHED;
- 18 (f) *Private Higher Education Institutions* shall refer to HEIs duly recognized
19 by CHED which are owned or operated by private individuals and
20 entities;
- 21 (g) *State of Calamity* shall refer to a condition involving mass casualty
22 and/or major damages to property, disruption of means of livelihoods,
23 roads and normal way of life of people in the affected areas as a result
24 of the occurrence of natural or human-induced hazards;
- 25 (h) *State Universities and Colleges (SUCs)* shall refer to public HEIs
26 established by law and are managed by their respective independent and
27 separate governing boards;
- 28 (i) *Student Loan* shall refer to a sum of money or other forms of
29 accommodation exclusively intended for the payment of all fees,
30 charges, and costs to SUCs, LUCs, private HEIs, and public and private
31 TVIs extended to students in exchange for repayment in the future as

1 evidenced by a loan agreement in writing and duly executed for the
2 purpose;

3 (j) *Technical-Vocational Education and Training (TVET)* shall refer to
4 postsecondary education or training process involving general education,
5 the study of technologies and related sciences, acquisition of practical
6 skills relating to occupations in various sectors of economic and social
7 life, and comprising formal (organized programs as part of the school
8 system) and nonformal (organized classes outside the school system)
9 approaches; and

10 (k) *Technical-Vocational Institutions (TVIs)* shall refer to learning
11 institutions offering TVET programs.

12 Sec. 4. *Coverage.* – This Act shall cover students enrolled in SUCs, LUCs,
13 private HEIs, and public and private TVIs whose residence is located in barangays,
14 municipalities, cities, provinces, or regions under a State of Calamity or State of
15 Emergency as may be declared by the President of the Philippines or the local
16 sanggunian concerned, in accordance with Republic Act No. 10121, otherwise known
17 as the "Philippine Disaster Risk Reduction and Management Act of 2010"; Republic
18 Act No. 11332, otherwise known as the "Mandatory Reporting of Notifiable Diseases
19 and Health Events of Public Health Concern Act"; and other relevant laws, rules and
20 regulations.

21 Sec. 5. *Moratorium on Payment of Student Loans.* – There shall be a
22 moratorium on the enforcement of payment of all fees, charges, and costs relating
23 to the student loans incurred for Higher Education and TVET programs, whether
24 administered by the HEIs or TVIs themselves or by the Unified Student Financial
25 Assistance System for Tertiary Education (UniFAST) Board, the CHED or any other
26 government agency or instrumentality, for the duration of the State of Calamity or
27 Emergency as provided in Section 4 of this Act and for thirty (30) days after the
28 lifting of such State of Calamity or Emergency: *Provided,* That the availment of the
29 moratorium shall not adversely affect the status of the students concerned with
30 regard to their eligibility for re-enrollment on the succeeding semesters or terms, or
31 their eligibility for graduation: *Provided, further,* That no penalties or interests shall

1 be collected on the deferred payments made pursuant to this Act: *Provided, finally,*
2 That nothing in this Act shall be construed to prevent public or private HEIs or TVIs
3 from implementing more favorable forms of payment relief or assistance to their
4 students, prohibiting students from voluntarily waiving the benefit of the moratorium
5 on student loan payments, or availing assistance or subsidies from the government
6 as provided by law, rules and regulations.

7 *Sec. 6. Implementing Rules and Regulations.* – Within sixty (60) days from
8 the effectivity of this Act, CHED and the Technical Education And Skills Development
9 Authority shall, in consultation with the Philippine Association of State Universities
10 and Colleges, the Association of Local Colleges and Universities, and the
11 Coordinating Council of Private Educational Associations of the Philippines, or their
12 equivalent institutions, and other non-government stakeholders, promulgate the
13 rules and regulations to effectively implement the provision of this Act.

14 *Sec. 7. Separability Clause.* – If any provision or part hereof is held invalid or
15 unconstitutional, the remainder of the law or the provision or part not otherwise
16 affected shall remain valid and subsisting.

17 *Sec. 8. Repealing Clause.* –All laws, presidential decrees, executive orders,
18 rules and regulations, or parts thereof which are inconsistent with the provisions of
19 this Act are hereby repealed, amended, or modified accordingly.

20 *Sec. 9. Effectivity.* – This Act shall take effect fifteen (15) days after its
21 publication in the *Official Gazette* or in a newspaper of general circulation.

Approved,

Salient Features of the Proposed Committee Report on
Student Loan Payment Moratorium During Disasters and Emergencies

The proposed measure seeks to impose a moratorium on the payment of student loans incurred by qualified students enrolled in higher or technical-vocational education program, subject to the following conditions:

- The residence of the student concerned is located in an area under a declared State of Calamity or State of Emergency;
- The moratorium shall be effective for the duration of the State of Calamity or Emergency and for thirty (30) days after the lifting of such State of Calamity or Emergency;
- The availment of the payment moratorium shall not adversely affect the status of the students concerned with regard to their eligibility for re-enrollment or graduation;
- No penalty or interest shall be collected on the deferred payments; and
- The imposition of student loan payment moratorium shall not prevent public or private higher education institutions (HEIs) or technical-vocational institutions (TVIs) concerned from implementing more favorable forms of payment relief or assistance to their respective students;
- The imposition of student loan payment moratorium shall not prohibit students from voluntarily waiving the benefit of the moratorium on student loan payments; and
- The imposition of student loan payment moratorium shall not prohibit an HEI, TVI, or student from availing assistance or subsidies from the government as may be provided by law, rules and regulations.