

Republic of the Philippines
HOUSE OF REPRESENTATIVES
Batasan Hills, Quezon City



THIRTEENTH CONGRESS

First Regular Session

HOUSE BILL NO. 738

Introduced by Honorable JUDY J. SYJUCO

EXPLANATORY NOTE

Section 17, Article II of the Constitution states that "The State shall give priority to education, science and technology, arts, culture and sports to foster patriotism and nationalism, accelerate social progress and promote total human liberation and development."

Likewise, Section 1, Article IV of the Constitution specifies that the State is mandated to constantly improve the standards of higher education in the Philippines to ensure that students get the best education possible from both public and private learning institutions. *To wit:*

"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."

To further broaden the campaign against unreasonable and unwarranted tuition increases every academic year, the establishment of a Tuition Regulation Council is hereby proposed. This Bill is envisioned to be a multi-sectoral body that shall serve as the highest policy-making body on matters concerning tuition fee rates, modification and other tuition-related matters.

The time has finally come to promote affordable access to quality education by rationalizing tuition rates and increases in all education institutions. It is just but right that an effective and rational mechanism for regulating tuition rate increases and adjustments be provided to the students and to their parents.

In view of the foregoing, the passage of this Bill is earnestly sought.

JUDY J. SYJUCO

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AN ACT
REGULATING TUITION AND OTHER SCHOOL-RELATED FEES IN ALL HIGHER AND
BASIC INSTITUTIONS OF LEARNING, CREATING A TUITION REGULATION BOARD, AND
FOR OTHER PURPOSES

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

SECTION 1. *Title.* – This Act shall be known as the “**Tuition Regulation Act of 2004.**”

SECTION 2. *Creation.* – This Act seeks to establish the Tuition Regulation Board.

SECTION 3. *Declaration of Policies.* – Section 1, Article IV of the Constitution mandates the protection and promotion of the right of all citizens to quality and affordable education at all levels and that the State shall take appropriate steps to make such education accessible to all.

In view of this, it is hereby declared the policy of the State to rationalize and regulate tuition and other school-related fees in all higher and basic institutions of learning to monitor and scrutinize such increase or decrease of fees every academic year to protect the rights and welfare of the students.

SECTION 4. *Objectives.* – The following are the objectives of this Act:

- a. To promote affordable access to quality education by rationalizing and/or reasonably regulating tuition fees and increases in all education institutions including other fees;
- b. To establish a Tuition Regulatory Board, a multi-sectoral body that shall serve as the highest policy-making body on matters pertaining to tuition fee rates and other increases or adjustments in fees;
- c. To provide an effective and systematic mechanism for fixing tuition rates and adjustments in other school fees in all learning institutions including those to be adopted by the boards of State Universities and Colleges (SUCs) that is acceptable to concerned stakeholders taking into account socioeconomic considerations and other safety nets.

SECTION 5. *Coverage.* – a) *Tuition Fees* – As a general rule, public and private academic and technical institutions shall be allowed to impose tuition fee increases and/or adjustments without any prior consultations on incoming freshmen students in the secondary and tertiary level, and in the first and fifth grade in the elementary level only. There shall be no tuition fee increase and/or adjustment in all other year levels.

The tuition fee increases which may be allowed to be imposed shall not exceed fifteen percent (15%) of prevailing rates: *Provided, however,* That any proposed tuition increase and/or adjustment in excess of the stipulated percentage affecting not only the segment of students

stated above but all other year levels including those to be imposed by State Universities and Colleges (SUCs) shall be subject to the approval of the Tuition Regulatory Board and/or its regional board having jurisdiction and on a case-to-case basis.

b) *Other schools fees.* – The amount of other school fees to be collected from students in the freshmen level of the secondary and tertiary institutions, and from the first grade and fifth in the elementary level shall in no other way be more than twenty-five percent (25%) of the amount collected as tuition fee for the semester to which the student is currently enrolled: *Provided, further,* That an imposition of more than fifteen percent (15%) in tuition fees and twenty-five percent (25%) in the case of miscellaneous fees may be allowed after the concerned schools shall have conducted thorough consultations and hearings, and after the examination of financial records and the determination of the distinct requirements and conditions of schools shall have been assessed by the Tuition Regulatory Board.

c) *Exemptions.* – Schools and/or courses classified under Level III Accreditation duly recognized by the Commission on Higher Education (CHED), the Department of Education (DepEd), and the Technical Education and Skills Development Authority (TESDA) as the case may be, and whose categorization standards are duly affirmed by the major association of private and State institutions shall enjoy autonomy in fixing the rates of their tuition fees and/or any rate increase or adjustment with respect to the accredited programs/courses only and subject to minimal and reasonable guidelines from the Tuition Regulatory Board.

SECTION 5. *Definition of Terms.* – As defined and used in this Act, the following terms shall mean:

- a) *“Student”* shall refer to any person enrolled in school in the elementary, secondary and tertiary levels including those enrolled in vocational and technical education.
- b) *“School”* shall refer to any academic educational institution of learning, public or private, offering any or all courses in the above-mentioned levels.
- c) *“Board”* shall refer to the governing board of the school, such as the board of directors, trustees or regents, which represents its highest policy-making body.
- d) *“Tuition Regulatory Board”* shall refer to the highest policy-making body on matters pertaining to tuition and other school fees and which shall serve regional counterparts responsible for efficient rate fixing and determination.
- e) *“Tuition”* shall refer to the fee representing direct costs of instruction, training and other related activities, and the use of school facilities.
- f) *“Other school fees”* shall refer to fees, which cover other necessary costs supportive of instruction, including but not limited to medical and dental, athletic, library, laboratory, and Citizen’s Military Training (CMT).
- g) *“Grade School”* shall pertain to the level of education, which constitutes four (4) years of primary learning and two (2) or three (3) years of intermediate training usually for children with age levels of 6-13 years.
- h) *“Secondary”* shall pertain to the middle segment in the educational system comprising a four-year program after attendance from elementary or grade school level.
- i) *“Tertiary”* shall refer to the higher learning level after high school, which includes those offering baccalaureate degrees or four (4) to five (5)-year courses and/or technical-vocational programs.
- j) *“Level III Accreditation”* shall refer to a classification conferred to an institution and/or any of its programs/courses by a recognized accrediting body based on certain quality indicators and standards duly recognized by the DepEd, the CHED or the TESDA as the case may be, and prescribed by the national accrediting arm of the major association of private and State institutions.

SECTION 6. *The Tuition Regulatory Board.* -- The Tuition Regulatory Board shall study, conduct consultation and thereafter recommend on tuition and other school fee adjustments.

The Tuition Regulatory Board shall be Independent of and supreme over the governing board in deliberating and making decisions on tuition matters. The Tuition Regulatory Board shall not act on a proposal to increase school fees unless the students and their parents are consulted at least one hundred eighty (180) days before the school year, semester or term in which the increase is to be effected. No student or parent shall be required to sign any contract or agreement respecting adjustments in tuition and other fees as a condition for enrollment or for any other purpose.

In the event the decision of the Tuition Regulatory Board is not favorably acted upon by the school governing board, the latter's decision may be appealed by any affected member of the school community to the appropriate education agencies within (30) days from date of notice of decision.

SECTION 7. *Consultation.* --The Board shall conduct consultation, dissemination of adequate information relative to tuition and other school fees, the increases thereof, objections thereto, or the justifications therefore and shall include but not be limited to the holding of meetings and hearings as may be necessary to ventilate the tuition and other fee issues. Pursuant thereto, all meetings or hearings conducted for consultation purposes shall be properly documented and circulated.

In justifying any tuition and/or school fee increase before the Tuition Regulatory Board, the school concerned shall be required to present the school's financial statements for the last five (5) years immediately preceding the proposal for such increase. Refusal of the school administration to show its books and records for inspection by the Tuition Regulatory Board shall mean automatic denial of its proposal for increases.

SECTION 8. *Composition of the Tuition Regulatory Board.* -- The Tuition Regulatory Board will be composed of the Chair of the CHED as chair, the Secretary of DepEd as co-chair, the Director-General of the TESDA as vice-chair, and with the following members: representatives of the House of Representatives' Committee on Higher and Technical Education and the Committee on Basic Education and Culture, the Senate's Committee on Education, the National Economic and Development Authority (NEDA) and the Philippine Association of State Universities and Colleges; one (1) representative from each of these sectors: parents, legitimately recognized institutions, major aggrupation of technical education institutions, faculty associations as well as other sectors which may be deemed indispensable by the Tuition Regulatory Board.

A Regional Tuition Regulatory Board shall also be established in all the regions of the country whose membership shall include the DepEd, the CHED, the TESDA and NEDA regional directors, and representatives from the provincial schools boards, faculty association of private schools, and from a recognized association of state institutions.

The manner and procedure of selecting and appointing representatives and/or members of the Tuition Regulatory Board from the different sectors other than those directly identified shall be made jointly by the Chairperson of the CHED, the Secretary of the DECS, and the Director-General of the TESDA based on a criteria that shall be instituted for the purpose.

SECTION 9. *Office and Expenditure.* -- Every member of the Tuition Regulatory Board shall serve in an *ex-officio* capacity without compensation from the government except for travel and other actual expenses incurred in the performance of their duties and responsibilities.

SECTION 10. *Administration and Enforcement* -- After due investigation and proper observance of due process, any person, natural or juridical, found willfully violating any provisions of this Act and its implementing rules, shall be subjected to the appropriate administrative sanctions, including the suspension or revocation of the school's license to operate, disqualification from enjoying tuition fee rate increases or adjustment, and/or the imposition of reasonable penalties and administrative fines.

SECTION 11. *Penal Provisions.* – Any person who shall willfully violate or commit any act intended to defeat any provision of this Act as well as the implementing rules, shall, upon conviction, be punished by a fine of not less than One Hundred Thousand Pesos (P100,000.00) nor more than One Hundred Fifty Thousand Pesos (150,000.00) or imprisonment of not less than one (1) year nor more than five (5) years, or both at the discretion of the court.

Any school found to have violated the provisions of this Act and its implementing rules shall be fined the amount of Five Hundred Thousand Pesos (P500,000.00) but not more than One Million Pesos (1,000,000.00)

Pursuant thereto, the DepEd, the CHED and the TESDA shall be empowered to investigate violations of this Act as well as the implementing rules and regulations and other issuances, and for this purpose shall have the power to issue summons, writs, orders, *subpoena* and *subpoena duces tecum* to secure the attendance of witnesses and the production of documents in connection with the charges presented.

SECTION 12. *Implementing Rules and Regulations.* – Upon the approval of this Act and within sixty (60) days after the Tuition Regulatory Board shall have been constituted, the Tuition Regulatory Board shall formulate the *Implementing Rules and Regulations* to implement the provisions of this Act. Public hearings and consultations may be conducted to facilitate the drafting of the *Implementing Rules and Regulations*.

SECTION 13. *Separability Clause.* – If any part of this Act is declared invalid or unconstitutional, the other parts of provisions thereof shall remain valid and effective.

SECTION 14. *Repealing Clause.* – All laws, decrees, rules and regulations or parts thereof inconsistent with the provisions of this law are hereby repealed, amended or modified accordingly.

SECTION 15. *Effectivity.* - This Act shall take effect fifteen (15) days after completion of its publication in at least two (2) national newspapers of general circulation.

APPROVED,