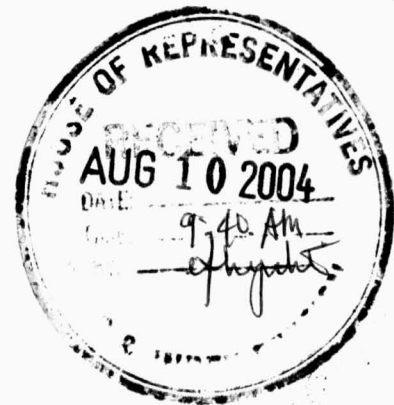


Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City, Metro Manila

Thirteenth Congress
First Regular Session

House Bill No. 2268



Introduced by Honorable Catalino V. Figueroa

EXPLANATORY NOTE

In her State of the Nation Address, Her Excellency, President Gloria Macapagal-Arroyo emphasizes the need for a quality and the best education from both public and private higher educational institutions as mandated by the Constitution, among them are as follows, to wit:

"Section 1, Article XIV – The State shall protect and promote the right of all citizen to quality education at all levels and shall take appropriate steps to make education accessible to all."

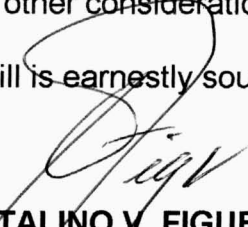
"Section 17, Article II – The State shall give priority to education, science and technology, arts culture and sports to foster patriotism and nationalism, accelerate social progress and promote total human liberation and development."

Further, Section 13, Article II of the Constitution recognizes the role of the youth in nation-building and shall promote and protect their physical, moral, spiritual, intellectual and social well-being.

This bill intends to establish a Tuition Fee Rationalization Council headed by a multi-sectoral body that will serve as the highest policy-making body on matters pertaining to tuition fee rates and other increases or adjustments in school fees.

On top of this, this bill proposes to realize these Constitutional mandates through the promotion of affordable access to quality education by rationalizing or reasonably regulating tuition fee rates and increase in all educational institutions including other fees, the provision of all educational institutions with accredited programs, greater flexibility and autonomy in tuition fee rate fixing and/or tuition fee increase adjustments and the provision of an effective and rational mechanism for fixing the tuition fee rate and adjustments in other school fees in all education institutions including those to be adopted by the boards of State universities and Colleges that is acceptable to concerned stakeholders taking into account the socio-economic and other considerations and safety nets.

In view thereof, the approval of this bill is earnestly sought.


CATALINO V. FIGUEROA

Republic of the Philippines
HOUSE OF REPRESENTATIVES
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Thirteenth Congress
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House Bill No. 2268

Introduced by Honorable Catalino V. Figueroa

AN ACT
RATIONALIZING AND REGULATING TUITION AND OTHER SCHOOL FEES
IN ALL HIGHER AND BASIC EDUCATION INSTITUTIONS, CREATING A
TUITION FEE RATIONALIZING COUNCIL 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 Fee Rationalization Act of 2001.”

SECTION 2. *Declaration of Policies and Objectives.* – Section 1, Article XIV of the 1987 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. Section 13, Article II, further recognizes the role of the youth in nation-building and shall promote and protect their physical, spiritual, intellectual and social well-being. In view of these, the following are hereby declared the objective of this Act:

(a) To promote affordable access to quality education by rationalizing and/or reasonably regulating tuition fee rates and increases in all education institutions including other fees;

(b) To provide all education institutions with accredited programs greater flexibility and autonomy in tuition fee rate fixing and/or tuition fee increase adjustments;

(c) To establish a Tuition Fee Rationalization Council which is envisioned to be a multi-sectoral body that serve as the highest policy-making

body on matters pertaining to tuition fee rates and other increases or adjustments in school fees, and;

(d) To provide an effective and rational mechanism for fixing the tuition fee rate and adjustments in other school fees in all education institutions including those to be adopted by the boards of State universities and colleges that is acceptable to concerned stakeholders taking into account socioeconomic and other considerations and safety nets.

SECTION 3. *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 increases and/or adjustments 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 fee increase and/or adjustments 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 the State universities and colleges shall be subject to the approval of the National Tuition Fee Rationalization Council and/or its regional council having jurisdiction and on a case-to-case basis.

(b) Other school 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 way be more than twenty-five percent (25%) of the amount collected as tuition fee for the semester to which the students 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 through 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 Council.

(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 Council.

SECTION 4. *Definition of Terms.* – As 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 abovementioned levels.

(c) “Board” shall refer to the governing board of the school, such as the board of directors, trustees, which represents its highest policy-making body.

(d) “Council” shall refer to the Tuition Fee Rationalization Council which shall serve as the highest policy-making body on matters pertaining to tuition and other school fees and which shall have 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 citizens military training (CMT) fees.

(g) "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.

(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) "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.

(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 DECS, the CHED or the TESDA as the case maybe, and prescribed by the national accrediting arm of the major association of private and State institutions.

SECTION 5. *Establishment of the National Tuition Fee Rationalization Council (NTFRAC) and its Regional Counterpart.* – Within thirty (30) days after the effectivity of this Act, the NTFRAC shall be constituted by the following: the Chair of the CHED as chair, the Secretary of the DEPED as co-chair, the Director-General of the TESDA as vice-chair, and with the following as 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 each from these sectors: parents, legitimately recognized students' organizations, leading associations of private higher and basic education institutions, major aggrupation of technical education institutions, faculty associations as well as other sectors which maybe deemed indispensable by the Council.

A Regional Tuition Fee Rationalization Council (RTFRAC) 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 school boards, faculty associations, student councils, parents-teachers association (PTA), from the 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 Council 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 6. *Office and Expenditures.* – Every member of the Council 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 7. – *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 8. *Penal Provisions* – Any person who shall willfully violate or commit any act intended to defeat any provision of this Act and its implementing rules, shall, upon conviction, be punished by a fine of not less than Fifty Thousand Pesos (P50,000.00) nor more than One Hundred Thousand Pesos (P100,000.00) 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 likewise to have violated the provisions of this Act and its implementing rules shall be fined the amount of not less than Five Hundred Thousand Pesos (P500,000.00) but not more than One Million Pesos (P1,000,000.00).

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 appurtenant thereto, 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 prescribed.

SECTION 9. *Implementing Rules and regulations.* – Upon the approval of this Act and within sixty (60) days after the Council shall have been constituted, the Council shall formulate the implementing rules and regulations (IRR) to implement the provisions of this Act. Public hearings and consultations may be conducted to facilitate the drafting of the IRR.

SECTION 10. – *Separability Clause.* – In case any provision of this Act or any portion thereof is declared unconstitutional by a competent court, other provisions shall not be affected thereby.

SECTION 11. *Repealing Clause.* – Any provisions of laws, orders, agreements, rules and regulations, including the provisions of the various charters of State colleges and universities contrary to an inconsistent with this Act are hereby repealed, amended or modified accordingly.

SECTION 12. *Effectivity.* – This Act shall take effect upon its approval.

Approved,