

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



Thirteenth Congress  
First Regular Session

HOUSE BILL NO. 2904

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Introduced by **Hon. Eduardo V. Roquero, M.D.**

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**EXPLANATORY NOTE**

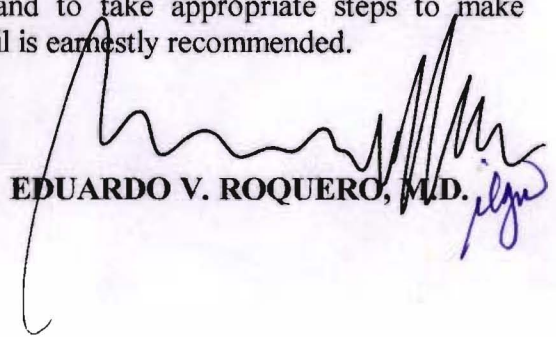
This Bill seeks to regulate tuition and other schools fees in all higher and basic tertiary educational institutions in the country.

Records show that since 1982, colleges and universities have been imposing fees unilaterally. The yearly increase of tuition fees adversely affected the financial situation of the parents of students especially those in the lower income group. Thus, in 1998, the Commission in Higher Education and the then Department of Education, Culture and Sports directed schools to consult with students and parents before raising tuition fees. However, educational institutions even without consulting these individuals continued increasing their tuition and miscellaneous fees.

Colleges and Universities impose all sorts of fees from the ridiculous to the sublime – such as energy fee, guidance and counseling fee, aircon fee, social action fee and building fee. These fees are unreasonable because such expenses fall under the school's capital outlay. Tuition fee increases, in order to be meritorious, must be for servicing the needs of the students and be based on the inflation index, or the average increase in the consumer price index of basic goods and services.

Creating a National Tuition Fee Rationalization Council which shall serve as the highest policy-making body on matters pertaining to tuition fee rates and other increases or adjustments in school fees, will somehow discourage colleges and universities to collect exorbitant and unreasonable school fees.

Consistent with the State policy to protect and promote the rights of all citizens to quality education at all levels and to take appropriate steps to make education accessible to all, approval of this bill is earnestly recommended.

  
**EDUARDO V. ROQUERO, M.D.**

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**AN ACT**  
**RATIONALIZING AND REGULATING TUITION AND OTHER SCHOOL**  
**FEES IN ALL HIGHER TECHNICAL-VOCATIONAL AND BASIC**  
**EDUCATIONAL INSTITUTIONS, CREATING FOR THE PURPOSE A**  
**NATIONAL TUITION FEE RATIONALIZATION COUNCIL.**

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

Section 1. This Act shall be known as the “*Tuition Fee Rationalization Act of 2004.*”

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

- (a) Promote affordable access to quality education by rationalizing and reasonably regulating tuition fee rates and increases in all educational institutions;
- (b) Provide all educational institutions with accredited programs greater flexibility and autonomy in tuition and other school fee rates, increases or adjustments thereof;
- (c) Establish a National Tuition Fee Rationalizing Council, a multi-sectoral agency to serve as the highest policy-making body on matters pertaining to tuition and other school fee rates, increases or adjustments thereof; and
- (d) Provide an effective and rational mechanism for fixing the tuition and other school fee rates and adjustments thereof, in all educational

institutions including those to be adopted by the Board of State Universities and Colleges (SUC's), acceptable to concerned stakeholders, taking into account socio-economic and other considerations and safety nets.

Sec. 3. *Definition of Terms.* – As used in this Act, the following terms shall mean:

- (a) **Autonomous Schools** – shall refer to the distinction awarded by the Commission on Higher Education (CHED) to schools with proven track record, as evidenced by the number of Federation of Accrediting Agency of the Philippines (FAAP) Level III accredited programs or identified as Center of Excellence (COE) or Center of Development (COD); consistent high percentage of passing in licensure examinations and untarnished reputation;
- (b) **Deregulated Schools** – shall refer to the distinction awarded by CHED to schools which have proven track record, but fall short of the other criteria used to determine autonomous schools;
- (c) **Student** – shall refer to any person enrolled in the elementary, secondary, vocational-technical and higher education level schools;
- (d) **School** – shall refer to any academic or vocational-technical educational institution of learning, public or private, offering any or all courses in the aforementioned levels recognized either by Department of Education (DepEd), Technical Skills and Development Authority (TESDA) or Commission on Higher Education (CHED);
- (e) **Board** – shall refer to the policy-making body of the school composed of the Board of Directors, Trustees or Regents;
- (f) **Council** – shall refer to the National Tuition Fee Rationalization Council (NTFRAC) 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;
- (g) **Tuition** – shall refer to the fee representing direct costs of instruction, training and other related activities and the use for school facilities;
- (h) **Other school fees** – shall refer to fees which cover other necessary costs supportive of student and other services;
- (i) **Tertiary** – shall refer to the higher learning level after high school offering baccalaureate, graduate or post-graduate programs;
- (j) **Vocational-Technical** – shall refer to post-secondary certificate courses;

- (k) **Secondary** – shall refer to the middle segment in the educational system comprising a four-year program after attendance of elementary or grade school level;
- (l) **Grade School** – shall refer 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 level of 6-13;
- (m) **Accreditation** – shall refer to a classification conferred to an institution or any of its programs or courses by a recognized accrediting body based on certain quality indicators and standards duly recognized by the DepEd, 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;
- (n) **Student Services** – refer to various programs/activities that directly benefit the students and enhance their intellectual, physical, psychological, social and spiritual well-being.

Sec. 4. *Coverage:*

- (a) **Tuition Fee.** – As a general rule, public and private academic and technical-vocational educational institutions, maybe allowed to impose tuition fee increases or adjustments every three (3) years, except when government so mandates an increase in salaries or wages of employees, to keep up with the prevailing costs of goods and services and thereby be competitive with prevailing rates and prevent fast turn-over of faculty and other school employees in the provinces. Provided, however, that prior consultations are conducted among concerned stakeholders.

To make the increase equitable, schools charging higher tuition fee rate shall be allowed lower percentage increase and vice versa. The NTFRC or its regional council counterpart shall determine the percentage increase.

- (b) **Other school fees.** – Other school fee increases shall cover only charges for specific and actual student services rendered, as may be identified by the school authorities and certified by the recognized student council and faculty association. These shall be treated as Trust Fund and shall not be used for any other purpose. The rate of increase shall not be more than 25% of the total tuition fee charges as determined by the NTFRC or its regional council counterpart.
- (c) **Exemptions.** – Schools classified as autonomous or deregulated can determine their own tuition and other school fee increases. The same privilege shall be enjoyed by the FAAP accredited programs of schools.

Sec. 5. *Establishment of the National Tuition Fee Rationalization Council (NTFRC) and its Regional Counterpart* – Within thirty (30) days after the effectivity of this Act, the NTFRC shall be constituted by the following: the Chairman of CHED

who shall be the Chairman of the NTFRC, Secretary of the Department of Education shall be the Co-Chairman, Director General of TESDA as Vice-Chairman, and the following as members: Representatives from the House of Representatives' Committee on Higher and Technical Education, and the Committee on Basic Education, the Senate's Committee on Education, the National Economic and Development Authority (NEDA), and the Philippine Association of the State Universities and Colleges (PASUC), one (1) representative each from the following sectors: Coordinating Council of the Private Education Associations (COCOPEA), Parents Association, National Students Organization, Faculty Association, and other sectors which may be deemed indispensable by the Council.

A Regional Tuition Fee Rationalization Council (RTFRC) shall also be established in all regions of the country with the following as members: Regional Directors of CHED, DepEd, TESDA and NEDA; and Regional Presidents of PASUC, COCOPEA, Student Organizations, Parents and Faculty Associations.

The manner and procedures of selecting and appointing representatives and/or member of the Council from the different sectors other than those directly identified shall be made jointly by the Chairman of CHED, Secretary of DepEd, and the Director General of TESDA based on criteria that shall be instituted for the purpose.

Sec. 6. *Office and Expenditure.* – Every member of the NTFRC 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. The CHED shall serve as the Secretariat for the purpose.

Sec. 7. *Appropriations.* – The amount necessary for the effective implementation of this Act shall be charged equally to the appropriations for the Commission on Higher Education, the Department of Education, and the Technical and Skills Development Authority under the current General Appropriations Act. Thereafter, such sum as may be needed for the continued operation of this Act shall be included in the Annual General Appropriations Act.

Sec. 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 implementing rules shall be fined the amount of not less than Five Hundred Thousand Pesos (P500,000.00) nor more than One Million Pesos (P1,000,000.00).

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

Sec. 9. *Implementing Rules and Regulations.* – Upon the approval of this Act and within sixty (60) days after the NTFRC shall have been constituted, the council 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.

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

Sec. 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 and inconsistent with this Act are hereby repealed, amended or modified accordingly.

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

Approved,