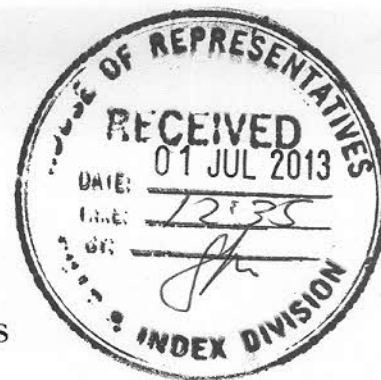




Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City

SIXTEENTH CONGRESS
First Regular Session

00000 354
HOUSE BILL No. 354

Introduced by Reps. NERI J. COLMENARES, CARLOS ISAGANI T. ZARATE,
ANTONIO L. TINIO and TERRY RIDON

AN ACT
IMPOSING A THREE-YEAR MORATORIUM ON TUITION AND OTHER FEE
INCREASES ON ALL EDUCATIONAL INSTITUTIONS

EXPLANATORY NOTE

Among the basic needs given importance by most Filipino families is education. This is why, even if they can barely eat three meals a day, parents and working students often forego other needs just to pay for their education.

In such a situation, the meteoric and unchecked rise of school fees in practically all private and public educational institutions in the country further burdens our already suffering populace.

Private education, by virtue of the deregulation policy mandated by Batas Pambansa 232, has turned into a very profitable business indeed. From 637 private higher education institutions (HEIs) in 1991, the numbers increased to 1,523 in 2008. In fact, several private HEIs have been consistently included in the Top 1,000 Corporations of the country. The top five school-corporations earned, in a span of six years, P15.43 billion in gross revenues and P3.45 billion in net income.

Unfortunately, the government agencies tasked to protect the public against schools engaged in profiteering activities have failed miserably, as increases in tuition, miscellaneous and other fees, some of which are collected redundantly, continue without regard to the suffering of the students and their parents.

In 2013, while state universities and colleges mulled the possibility of imposing a tuition moratorium following the suicide of a cash-strapped University of the Philippines student, CHED approved 354 or 78% of tuition increase petitions.

The average tuition hike, according to CHED, costs an additional P37.45 per unit or P561.75 per 15 units. The 8.5% average increase is almost three times higher than the prevailing inflation rate in the country.

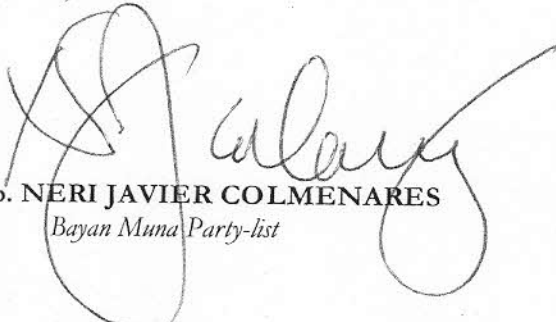
This year, NCR schools increased their tuition at an average of P64.04 or 6.79% per unit. Regions with the highest increases are Region I with P34.10 per unit or 11.12%, Region II with P31.26 or 12.25%, and Region V with 44.77 or 11.83%. On top of these are various miscellaneous and other school fees ranging from hundreds to thousands of pesos. These include exorbitant, redundant fees like power charges, installment fee, copier fees and infrastructure maintenance fees.

Considering how important education is for our people and how costly it has become for them, it will only be fair for government to ensure our citizen's right to education by imposing a three-year moratorium on all kinds of fee increases, whether tuition or other school fees, on all schools that have registered a profit in the previous year. This is just to give our people some kind of relief, considering that they have yet to feel the promised social payback from higher taxes,

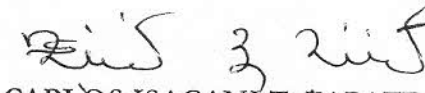
By the end of the said moratorium, it is hoped that the government will already remedy the defects of a deregulated education sector and provide the proper guidelines on school fee increases so that the rights of students and parents are respected and properly observed.

In view of the foregoing, immediate approval of this measure is sought.

Approved,



Rep. NERI JAVIER COLMENARES
Bayan Muna Party-list



Rep. CARLOS ISAGANI T. ZARATE
Bayan Muna Party-list

Rep. ANTONIO L. TINIO
ACT Teachers Party-list



Rep. TERRY RIDON
Kabataan Party-list

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

SECTION 1. Declaration of Basic Policy- It is the policy of the state to promote quality education that is accessible to all and to establish, maintain and support a complete, adequate and integrated education system relevant to the needs of the Filipino people.

SECTION 2. Definition of Terms – as used in this Act, the following terms shall mean:

- (a) **“Private Educational Institutions”** – any school, college, university, company or corporation authorized by the state to grant education, either formal or informal; technical or non-technical; vocational or non-vocational; and whose subsistence relies significantly in it gaining profits, dividends or stocks from giving such.
- (b) **“Tuition”** – is used to refer to the charges that all students pay to attend an educational institution. These are composed of specific types: operating fees, building fees, services and activities fees and technology fees.
- (c) **“Miscellaneous and other school fees”**- additional charges other than tuition collected for specific actual services rendered to students, as may be identified by the school authorities and certified by the recognized student council and faculty association such as but not limited to, medical and dental, athletic, audio-visual, guidance, insurance, laboratory fee, laboratory deposit, library fee, school publication, registration, and such other fees that refer to services.

SECTION 3. Moratorium on School Fees - The Department of Education (DepEd) Commission on Higher Education (CHED), and Technical Education and Skills Authority (TESDA) are hereby mandated to impose a three year moratorium on any school fee increase, whether it be tuition, miscellaneous and other school fees on all public and private educational institutions.

SECTION 4. Exemptions - A private educational institution may apply for an increase in tuition

or other school fees, following existing rules and guidelines implemented by the DepEd, CHED and TESDA, provided that on the year preceding the application for fee increases, said institution posted incurred net losses as reflected in its complete annual financial statement, a copy of which should be filed together with the application for exemption.

SECTION 5. *Penalty Clause* - Any educational institution found in violation of this Act shall be punished with a fine of NOT LESS THAN 100,000 pesos (100,000 Php) and NOT MORE THAN 500,000 pesos (500,000 Php) or imprisonment of its officials OF NOT MORE THAN SIX (6) YEARS or both, in the discretion of the court.

Misrepresentation or misdeclaration of assets, incomes and liabilities shall be prima facie evidence of violations this Act.

SECTION 6. *Repealing Clause* – All laws, presidential decrees, executive orders, rules and regulations or parts thereof which are inconsistent with the provisions of this Act are hereby repealed or modified accordingly.

SECTION 7. *Separability Clause* – If any part or provision of this Act shall be held unconstitutional or invalid, other provisions hereof which are not affected shall continue to be in full force and effect.

SECTION 8. *Effectivity* – This Act shall take effect fifteen (15) days after its publication in two (2) national newspapers of general circulation.

Approved,