

Republic of the Philippines  
HOUSE OF REPRESENTATIVES  
Quezon City

SIXTEENTH CONGRESS

First Regular Session

House Bill No. **2570**



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Introduced by **Hon. Sol Aragon**

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**EXPLANATORY NOTE**

The Constitution, Article 2, Section 13, provides:

The State recognizes the vital role of the youth in nation-building and shall promote and protect their physical, moral, spiritual, intellectual, and social well-being. It shall inculcate in the youth patriotism and nationalism, and encourage their involvement in public and civic affairs.

The Commission on Higher Education (CHED) recently approved the increases for colleges and universities. The decision permitting higher educational institutions (HEIs) to raise school fees came following the 413th regular CHED meeting wherein commissioners approved the figures verified and presented by the Office of Student Services. CHED Chairperson Patricia Licuanan was quoted as saying that the average tuition hike per unit for school year 2013-2014 is P37.45 or 8.5 percent nationwide, which is the lowest percentage increase in the past 10 years. Out of the 1,068 private elementary and high schools that applied for a tuition increase this year, the Department of Education (DepEd) reported that 903 were approved, 92 were disapproved and 70 are pending approval, with the increases averaging five to 10 percent.

It is amidst this backdrop of the continuously rising cost of education that the need for programs to assist students in financing their education deserves a stronger backing from the government. There is therefore a need to increase the support for the student financial assistance program of the CHED to help out college students pay for their tuition fees. Under the Study Now, Pay Later Plan, deserving students are eligible to apply for a student loan that they can repay once they are gainfully employed after graduation. This bill strengthens that

program by mandating a minimum annual increase in its coverage and by making it easier for the student debtor to repay his or her student loan.



**HON. SOL ARAGONES**  
**Representative, 3<sup>rd</sup> District of Laguna**



1 interest at the rate of not more than [six] FIVE percent [(6%)] 5% per annum  
2 shall accrue on the balance thereof. THE STUDENT-DEBTOR IS OBLIGED  
3 TO PAY CHED THE AMOUNT OF LOAN AVAILED OF ONLY THREE  
4 (3) YEARS AFTER ACQUIRING AN EMPLOYMENT. IF HE/SHE HAS  
5 NOT ACQUIRED GAINFUL EMPLOYMENT, THEN THE THREE (3)  
6 YEAR PERIOD WILL NOT START TO RUN.

7 (D) THE STANDARDS FOR THE GRANT OF THE LOAN SHALL  
8 INCLUDE, AMONG OTHERS, THE INCOME BRACKET OF THE  
9 FAMILY OF THE STUDENT, THE INCLUSION OF THE COURSE IN  
10 THE CHED PRIORITY COURSE LIST, AS WELL AS THE GRADE  
11 POINT AVERAGE OF THE STUDENT, WHICH SHOULD AT LEAST BE  
12 EQUIVALENT TO A GRADE OF EIGHTY (80%) IN A SCALE OF 100.

13 (E) THE CHED SHALL INCREASE THE NUMBER OF STUDENT-  
14 DEBTORS BY AT LEAST FIVE (5%) EVERY YEAR.

15 (F) THE STUDENT DEBTOR MAY PAY DIRECTLY TO ANY  
16 CHED REGIONAL OFFICE OR TO THE CHED-CENTRAL OFFICE  
17 THROUGH THE OFFICE OF STUDENT SERVICES.

18 [(d)] (G) *Social Security Fund*. - The Social Security System shall  
19 make available low interest educational loans to its members and to private  
20 educational institutions for school buildings and/or improvement of their  
21 plants and facilities.  
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23 SECTION 2. *Separability Clause*. - If any provision or part hereof is held invalid or  
24 unconstitutional, the remainder of the law or the provision not otherwise affected shall remain  
25 valid and subsisting.  
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27 SECTION 3. *Repealing Clause*. - Any law, presidential decree or issuance, executive  
28 order, letter of instruction, administrative order, rule or regulation contrary to or inconsistent  
29 with, the provisions of this Act is hereby repealed, modified, or amended accordingly.  
30

1           SECTION 4. *Effectivity Clause.* – This Act shall take effect fifteen (15) days after its  
2   publication in at least two (2) newspapers of general circulation.