



HOUSE OF REPRESENTATIVES
H. No. 4902

Introduced by **Representative Raul C. Tupas**

EXPLANATORY NOTE

**AN ACT PROVIDING FOR A FULL TUITION SUBSIDY FOR STUDENTS ENROLLED
IN STATE UNIVERSITIES AND COLLEGES (SUCs), AND PROVIDING FUNDS
THEREOF**

The 1987 Constitution mandates the State "to protect and promote the right of all citizens to quality education at all levels and to take appropriate steps to make education accessible to all." (Article XIV Sec. 1) Article II Section 17 also provides, "The State shall give priority to education, science and technology, art, culture, and sports to foster patriotism and nationalism, accelerate social progress, and promote total human liberation and development."

Free public basic education has already been instituted in the country. It is imperative for the government to continue investing in children and young people's future through higher spending on health and education. This will also address the problem of commercialization of education, the reduction of state subsidy, deregulation, and privatization. Based on the estimate of the Commission on Higher Education (CHED), about 2.2 million students are enrolled in state universities and colleges, while 1.8 million are enrolled in public universities and colleges.¹ Ensuring that all Filipinos have access to good quality education and skills development is a must to eliminate extreme poverty and promote shared prosperity.²

According to the 2013 Functional Literacy, Education and Mass Media Survey (FLEMMS), one in every 10 or about 4 million Filipino children and youth were out-of-school in 2013, and one of the primary reasons for not attending school was the high cost of education. Data from the CHED show that two out of five high school graduates, or 40 percent, do not pursue tertiary education due to high tuition fees and miscellaneous expenses.

¹ Briefing paper of the commission on Higher education for the 2017 Budget, August 31, 2016

² <http://www.worldbank.org/en/news/press-release/2016/06/17/philippines-new-study-says-higher-investments-in-skills-and-education-flexible-labor-rules-can-help-reduce-poverty-among-workers>

Under the 2017 General Appropriations Act (Republic Act No. 10924), the Commission on Higher Education (CHED) has been given an additional P8.0 billion allocation meant to provide for free tuition fees for undergraduate courses and tuition fee for Doctor of Medicine Program in state universities and colleges (SUCs) that will benefit financially disadvantaged but academically able students. This will incrementally improve enrolment rates, and will help free up financial resources for other college expenses and needs of the students which will eventually increase the available income of families.

However, the budget allocation is good for one academic year only. There is a need to safeguard this program to ensure its continuity and prevent the dislocation of students that will be provided with free tuition fees for only one year.

This bill seeks to make tertiary education in all State Universities and Colleges (SUCs) free of tuition for its students and fully subsidized by the government. This bill aims to provide every Filipino youth a chance to gain valuable knowledge and skills, and improve their lives.

In view thereof, approval of this Bill is earnestly sought.


RAUL "BOBOY" C. TUPAS

HOUSE OF REPRESENTATIVES
H. No. ~~4902~~

Introduced by **Representative Raul C. Tupas**

**AN ACT PROVIDING FOR A FULL TUITION SUBSIDY FOR STUDENTS ENROLLED IN
STATE UNIVERSITIES AND COLLEGES (SUCs), AND PROVIDING FUNDS THEREOF**

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

1 **SECTION 1. *Short Title.*** – This Act shall be known as the “*Free Higher Education*
2 *for All Act.*”
3

4 **SECTION 2. *Declaration of Policy.*** – It is hereby declared that accessible and
5 quality education is an inalienable right of the Filipino. It shall be the policy of the State to
6 make higher education accessible to financially disadvantaged but deserving students.
7 Towards this end, the State shall renew its constitutionally mandated duty to make
8 education its top budgetary priority by providing free higher education for students in State
9 Universities and Colleges (SUCs). This will strengthen the public character of SUCs as
10 important institutions in the promotion of education, science and technology, art, culture,
11 and sports.
12

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

- 15 a) “Cost of Tertiary Education” refers to (1) tuition and Other School Fees; (2)
16 educational expenses; and (3) the cost of living allowance;
17
18 b) “Educational Expenses” refer to expenses related to the education of a student, such
19 as books, school supplies, and electronic devices necessary for education, but
20 excluding tuition and miscellaneous and Other School Fees;

- 1
- 2 c) "Higher Education" refers to the stage of formal education, or its equivalent, requiring
- 3 completion of secondary education and covering programs of study leading to
- 4 bachelor and advanced degrees;
- 5
- 6 d) "Higher Education Institution (HEI)" refers to an institution of higher learning,
- 7 primarily offering bachelor and advanced degree programs;
- 8
- 9 e) "Other School Fees" refer to those fees which cover other necessary costs
- 10 supportive of instruction, including, but not limited to, medical and dental, athletic,
- 11 library, laboratory, and miscellaneous fees;
- 12
- 13 f) "State Universities and Colleges (SUCs)" refer to public HEIs established by national
- 14 laws which are financed and maintained by the national government, and are
- 15 governed by their respective independent boards of trustees or regents;
- 16
- 17 g) "Technical-Vocational Education and Training (TVET)" refers to the post-secondary
- 18 education or training process which involves, in addition to general education, the
- 19 study of technical and related fields and the acquisition of practical skills relating to
- 20 occupations in various sectors, comprising formal (organized programs as part of the
- 21 school systems) and nonformal (organized classes outside the school system)
- 22 approaches;
- 23
- 24 h) "Technical-Vocational Institutes (TVIs) refer to learning institutions offering post-
- 25 secondary TVET;
- 26
- 27 i) "Tertiary Education" refers to the stage of education following the secondary cycle
- 28 which subsumes post-secondary nondegree diploma, TVET, and Higher Education
- 29 programs; and
- 30

- j) "Tuition Fee" refers to the fee representing direct costs of instruction, training and other related activities and for the students' use of the instruction and training facilities;
- k) "Unified Student Financial Assistance System for Tertiary Education (UniFAST)" refers to the harmonized, state-run and administered system of Higher Education and technical-vocational Scholarships, Grants-in-Aid, Student Loans, and other modalities of StuFAP created by Republic Act No. 10867;
- l) "Student Financial Assistance Program (StuFAP)" refers to a system of Scholarships, Grants-in-Aid, Student Loans, subsidies and other incentives which are or shall be made available to eligible students;
- m) "Grant-in-Aid" refers to a modality of financial assistance to poor but eligible students which generally requires a minimum level of competence to complete Tertiary Education;
- n) "Scholarship" refers to a modality of financial assistance given to eligible students on the basis of merit and/ or talent, such as laudable academic performance, and special technical proficiencies and skills and intellectual pursuits of a Scholar that give rise to research and development, and innovations as well as other creative works;
- o) "Student Loan" refers to a modality of student financial assistance consisting of short-term or long-term loans which shall be extended to students facing liquidity problems, regardless of economic status, which shall be paid by the student, his/ her parents, guardians, or co-makers;

SECTION 4. Eligibility to the Full Tuition Subsidy. – All Filipino citizens who are either currently enrolled at the time of effectivity of this Act, or shall enroll at any time thereafter, in courses in pursuance of a bachelor's degree, certificate degree, or any comparable undergraduate degree in any SUC shall qualify for a full tuition subsidy;

1 *Provided*, That they meet the admission and academic requirements of the SUC; *Provided*
2 *further*, That all SUCs shall create a mechanism to enable students with the financial
3 capacity to pay for their education in the SUC to opt out of the tuition subsidy or to make a
4 donation to the school.

5
6 **SECTION 5. *Exceptions to the Full Tuition Subsidy.***- The following are ineligible to
7 avail of the full tuition subsidy in SUCs:

- 8
- 9 a) Persons who have already attained a bachelor's degree or equivalent degree
10 from any higher education institution, whether public or private;
 - 11
 - 12 b) Persons that are recipients of scholarship from scholarship organizations or
13 providers, whether public or private,; and
 - 14
 - 15 c) Persons who have been dishonorably discharged from any higher education
16 institution, whether public or private, for any reason other than financial difficulty
17 in paying tuition and other fees.
 - 18

19 **SECTION 6. *SUC Tuition Subsidy Fund.*** The SUC Tuition Subsidy Fund,
20 hereinafter referred to as the Fund, is hereby established. The Fund shall be used solely for
21 the purpose of implementing the full tuition subsidy under the provisions of this Act. Tuition
22 for units enrolled by persons eligible for the tuition subsidy under the provisions of this Act,
23 payable to SUCs, shall be sourced from this Fund.

24
25 **SECTION 7. *Administration of the Fund.*** – The Fund shall be administered by the
26 Commission on Higher Education (CHED), which shall have the following powers and
27 functions:

- 28
- 29 a) Manage, administer, and monitor the utilization of the Fund;
 - 30
 - 31 b) Establish the guidelines and mechanism for the availment of the Fund;

- c) Devise a reporting mechanism to be implemented by the SUCs which will detail the exact amount of tuition subsidy availed of by persons eligible for the full tuition subsidy under this Act;
- d) Formulate and implement an efficient and transparent mechanism to ensure the payment of the tuition subsidy, utilizing money from the Fund, to the respective SUCs, pursuant to this Act;
- e) Resolve and mediate disputes concerning the ineligibility or disqualification of persons from the full tuition subsidy under the provisions of this Act or any other provision of this law; and
- f) Any other powers or functions necessary for the implementation of the provisions of this Act.

SECTION 8. Requirements for SUCs. – SUCs are hereby mandated to fulfill the following before accessing the Fund:

- a) Establish a qualifying mechanism, which shall be meritocratic and equitable. This shall include but not be limited to a qualifying examination and an affirmative action mechanism for financially disadvantaged students;
- b) Determine and publish the maximum number of students the SUC can accommodate per campus and degree program. For the initial implementation of this Act, the maximum number of students SUCs may accept shall be equivalent to the total number of students that were enrolled in the school year prior to the effectivity of this Act. For subsequent years, SUCs may increase their number of students subject to conditions set by and upon the approval of CHED;
- c) Submit the following documents to assist the CHED In implementing this Act:
 - i. Previous enrollment rate, student demographics and other relevant information;

- ii. Graduation rate, performance in previous licensure examinations, and employability rate of graduates;
 - iii. Gross tuition receipts and financial statements;
 - iv. Teachers' welfare and training profiles; and
 - v. Other educational quality indicators, including but not limited to physical learning infrastructure, teacher-to-student ratio and student housing; and
- d) Formulate and submit to CHED and oversight committees in both Houses of Congress a detailed SUC Development Plan updated every five years, which shall include plans for facilities and infrastructure development and expansion.

The submissions to CHED shall be subject to the Commission's determination of completeness. *Provided*, That CHED shall have the right to request for additional information from the SUCs. *Provided further*, that any plans of expansion shall be approved and defended before CHED and Congress during the SUC's budget hearing.

SECTION 9. Tuition Report. – The President of each SUC shall submit to the CHED, within five (5) days after the last day of late registration for each semester, a report detailing the names of persons eligible for the full tuition subsidy in their institution, as well as the amount of tuition due based on the number of units enrolled.

SECTION 10. Payment from the Fund. – The CHED shall ensure the full payment of tuition due to the state university or college, as reported under this Act, no later than thirty (30) days after the submission of the report to the CHED; *Provided*, That the CHED shall reserve the right to withhold or disallow the payment of any reported fees which are perceived to be anomalous or irregular until further investigation has been conducted.

SECTION 11. Strengthening Student Financial Assistance Programs (StuFAP).
– The CHED, through UniFAST, shall strengthen all scholarships, grants-in-aid, student loans, subsidies and other incentives, to other educational expenses and cost of living allowance that will be incurred by students in pursuing higher education in SUCs. Moreover,

1 StuFAP programs shall also be made available to cover the cost of tertiary education, fully
2 or partially, to students who wish to pursue tertiary education in other HEIs or TVIs.

3
4 **SECTION 12. Appropriations.** – The amount of Twelve Billion Pesos
5 (P12,000,000.00) is hereby initially appropriated from the Presidential Social Fund for the
6 SUCs Tuition Subsidy Fund and to implement the provisions of this Act. Thereafter, such
7 amount necessary to effectively carry out the provisions of this Act, shall be included in the
8 annual General Appropriations Act.

9
10 **SECTION. 13. Implementing Rules and Regulations.** –Within sixty (60) days from
11 the effectivity of this Act, the CHED shall promulgate the implementing rules and regulations
12 necessary for the implementation of this Act.

13
14 **SECTION 14. Separability Clause.** –Should any provision herein be declared
15 unconstitutional, the same shall not affect the validity of the other provisions of this Act.

16
17 **SECTION. 15. Repealing Clause.** –All laws, decrees, orders, rules, and regulations
18 or other issuances or parts inconsistent with the provisions of this Act are hereby repealed
19 or modified accordingly.

20
21 **SECTION. 16. Effectivity Clause.** – This Act shall take effect fifteen (15) days after
22 its publication in the *Official Gazette* or in two national newspapers of general circulation.

23
24 Approved,