

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

TWENTIETH CONGRESS
First Regular Session

HOUSE BILL NO. 5229



Introduced by **Representative AGATHA PAULA "AGAY" A. CRUZ**

EXPLANATORY NOTE

The 1987 Constitution is unequivocal: education is both a right and a duty of the State. It declares that all citizens shall have access to quality education at all levels, and that the State must take positive steps to make this a reality.

Over the years, Congress has responded to this constitutional mandate through landmark measures such as the Universal Access to Quality Tertiary Education Act, which guarantees free tuition in State Universities and Colleges (SUCs), and the Iskolar ng Bayan Act, which provides support for deserving students in limited fields.

At present, however, we have not institutionalized a flagship program dedicated to identifying, supporting, and cultivating the best and brightest among our young scholars, especially those from families with modest means, whose brilliance shines despite poverty, and whose future is too often stunted by lack of opportunity. Our universal subsidies ensure entry, but they do not guarantee that our brightest youth are guided into disciplines most critical to national development.

This measure seeks to fill that gap through the establishment of the Presidential Merit Scholarship Program, a merit-based and socially responsive scholarship system. It is the government's deliberate effort to harness talent where it is most abundant but least resourced, and to direct it where it is most needed.

The Program is anchored on four pillars: (1) *Excellence with Access* by identifying top-performing graduates and ensuring their admission into the leading higher education institutions; (2) *Equity with Merit* by directing resources to those whose talents are not matched by financial capacity; (3) *Development with Purpose* by prioritizing courses and disciplines that address hard-to-fill occupations and advance national priorities; and (4) *Support with Accountability* by granting substantial benefits, but in return, requiring a solemn pledge of service to the country.

The passage of this measure is not merely an act of funding scholarships; it is an

investment to transform merit into leadership and opportunity into national service. It ensures that no talent is wasted for lack of opportunity, and that those most capable of contributing to the country's development are equipped and obligated to do so.

In view of the foregoing, the immediate enactment of this bill is most urgently and fervently sought.


AGATHA PAULA "AGAY" AGUILAR CRUZ
Representative, Fifth Legislative District of Bulacan



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AN ACT
ESTABLISHING THE PRESIDENTIAL MERIT SCHOLARSHIP PROGRAM,
PROVIDING FUNDS THEREFOR, AND FOR OTHER PURPOSES

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

1 **Section 1. Short Title.** – This Act shall be known as the “Presidential Merit
2 Scholarship Act.”
3

4 **Section 2. Declaration of Policy.** – It is hereby declared the policy of the State to
5 protect and promote the right of all citizens to accessible and quality education at all
6 levels, consistent with Article XIV of the Constitution. Towards this end, the State shall
7 adopt measures to ensure that academically gifted students, particularly those from low-
8 to middle-income families, are provided equitable opportunities to pursue higher
9 education in fields vital to national development. The State likewise affirms its
10 commitment to cultivating future leaders and professionals by supporting merit-based
11 scholarships that foster excellence, inclusivity, and service to the nation.
12

13 **Section 3. Objectives.** – The Presidential Merit Scholarship Program, hereinafter
14 the Program, shall have the following objectives:
15

- 16 (a) To provide full financial support to top-performing students from low to
17 middle-income households for the pursuit of priority academic programs in
18 high-ranking higher education institutions (HEIs);
19
- 20 (b) To cultivate a competitive and highly skilled workforce by supporting scholars
21 in courses addressing hard-to-fill occupations;
22
- 23 (c) To complement existing government scholarship programs by covering
24 academically exceptional students not eligible under other financial assistance
25 mechanisms; and

- 1
2 (d) To institutionalize mechanisms for return service and social contribution by
3 scholar-graduates.

4
5 **Section 4. Definition of Terms.** – As used in this Act:
6

- 7 (a) *Cost of Tertiary Education* includes tuition and other mandatory school fees,
8 educational expenses, and cost-of-living allowances;
9
10 (b) *Higher Education or Undergraduate Course* refers to post-secondary programs
11 leading to undergraduate or bachelor's degree;
12
13 (c) *Higher Education Institution (HEI)* refers to any Commission on Higher
14 Education (CHED)-authorized university or college offering bachelor's
15 courses;
16
17 (d) *Local Universities and Colleges (LUCs)* refer to CHED-accredited public HEIs
18 established and funded by local government units (LGUs), compliant with
19 CHED standards;
20
21 (e) *Low- to Middle-Income Households* refer to households with a combined monthly
22 income that is equivalent to or above the Poverty Threshold, as determined by
23 the Department of Economy, Planning, and Development (DEPDev), in
24 coordination with other relevant government agencies;
25
26 (f) *Private HEIs* refer to HEIs not owned or controlled by the government;
27
28 (g) *Presidential Merit Scholar* refers to a student who has been granted a scholarship
29 under this Act;
30
31 (h) *Priority Courses* refer to courses identified by CHED as priority disciplines for
32 national development, including but not limited to those housed in Centers of
33 Excellence, or those identified as addressing hard-to-fill occupations or
34 emerging critical fields;
35
36 (i) *Return Service Agreement* refers to the mandatory service obligation of scholars
37 to the Philippine government upon completion of their studies.
38
39 (j) *State Universities and Colleges (SUCs)* refer to national government HEIs
40 governed by independent boards of trustees; and
41
42 (k) *Tuition Fees* refer to charges for academic courses enrolled in by tertiary-level
43 students.
44

1 **Section 5. Program Coverage and Eligibility. –**

2
3 (a) *Coverage and Eligibility.* The Program shall cover eligible Filipino students who:

- 4
5 (1) Belong to the top ten (10) of their Senior High School graduating class as
6 certified by their school principal;
7
8 (2) Graduated with highest honors or equivalent distinction, subject to
9 Department of Education (DepEd) equivalency standards;
10
11 (3) Have graduated from any public Senior High School within two (2) years
12 prior to application;
13
14 (4) Have gained admission to a CHED-recognized HEI with the following:
15 i. For SUCs: Level III or IV; or
16 ii. For Private HEIs: Autonomous or deregulated status; or
17 iii. Inclusion in global university rankings within the past three (3) years;
18
19 (5) Shall enroll in CHED-identified priority degree programs housed in
20 Centers of Excellence;
21
22 (6) Are not recipients of other government-funded scholarship grants; and
23
24 (7) Belong to low- to middle-income households.

25
26 (b) *Automatic Admission.* For the first two (2) years of the Program's
27 implementation, top five (5) graduates of public high schools, regardless of the
28 academic honor received, shall be granted priority scholarship placement in
29 eligible SUCs within their region, subject to compliance with the academic and
30 admission requirements.
31

32 **Section 6. Scholarship Benefits. –** Scholars shall be entitled to the following
33 financial benefits per academic year, subject to satisfactory academic performance:
34

35 **A. Tuition Support –**

- 36
37 1. SUCs: Free tuition under the Universal Access to Quality Tertiary
38 Education Act;
39 2. Private HEIs: Tuition and miscellaneous support per academic year,
40 capped at:
41 i. For HEIs located in the National Capital Region (NCR): PhP 200,000;
42 ii. For HEIs located in Highly Urbanized Cities (HUCs) outside NCR: PhP
43 100,000;
44 iii. For HEIs located in non-HUC areas: PhP 50,000.

1
2 **B. Yearly Stipend —**
3

- 4 1. For scholars from Visayas or Mindanao studying in NCR: PhP 200,000;
5 2. For scholars studying outside their home region: PhP 150,000;
6 3. For scholars studying within their region of residence: PhP 100,000.
7

8 **C. Book and Connectivity Allowance —** PhP 5,000 per semester or trimester,
9 including mid-year or its equivalent.
10

11 The receipt by a Presidential Merit Scholar of scholarships or similar benefits
12 granted by foundations, corporations, or other private entities shall not operate to
13 disqualify or diminish their entitlement to the benefits provided under this Act.
14

15 ***Periodic Review and Adjustment.*** — CHED shall conduct a review of the benefit
16 structure under this Section every five (5) years and shall submit its findings and
17 recommendations to Congress for appropriate legislative action, particularly with respect
18 to necessary adjustments due to inflation, regional disparities, or evolving educational
19 costs.
20

21 All benefit rates shall be subject to periodic review by CHED in consultation with
22 DEPDev and the Department of Budget and Management (DBM).
23

24 **Section 7. Institutional Support and Responsibilities. —**
25

26 **A. Commission on Higher Education (CHED).** CHED shall:
27

- 28 1. Oversee implementation, monitoring, and evaluation of the Program;
29 2. Review demographic and academic performance data of Senior High
30 School graduates to inform policy refinements;
31 3. Ensure SUCs' compliance with admission and performance standards; and
32 4. Provide academic advising and placement mechanisms in partnership with
33 HEIs.
34

35 **B. Department of Education (DepEd).** DepEd shall:
36

- 37 1. Identify and certify the top ten (10) graduates and additional eligible
38 students in public high schools using uniform national guidelines on
39 grading equivalency and ranking to ensure fairness across schools;
40 2. Conduct and submit an annual census of graduating students to CHED;
41 3. Disseminate timely information about the Program to all public high
42 schools; and
43 4. Ensure the integrity and timeliness of ranking certifications.
44

1 C. *State Universities and Colleges (SUCs)*. SUCs shall:

- 2
- 3 1. Allocate slots and provide academic support to scholars;
- 4 2. Offer bridging programs, when necessary, to assist scholars who
- 5 marginally fail to meet academic program requirements;
- 6 3. Coordinate with CHED in implementing internship and return service
- 7 programs; and
- 8 4. Submit annual reports on enrolled scholars, academic outcomes, and
- 9 program challenges to CHED and Congress.
- 10

11 **Section 8. *Return Service Agreement.*** – All beneficiaries of the Presidential Merit
12 Scholarship shall be required to enter into a Return Service Agreement (RSA) with the
13 government, under the following terms and conditions:
14

- 15 (a) The scholar shall complete a research output, thesis, or equivalent scholarly
- 16 work that demonstrates practical relevance and contributes to national
- 17 development goals or government policy initiatives;
- 18
- 19 (b) The scholar shall render return service to the Republic of the Philippines for a
- 20 period equivalent to the number of academic years for which scholarship
- 21 benefit was received; and
- 22
- 23 (c) In the event that the scholar is unable to commence such return service
- 24 immediately after graduation due to unemployment or other justifiable
- 25 reasons, except employment abroad, the required period of return service shall
- 26 remain unaffected by such delay or deferment be computed in accordance with
- 27 the duration prescribed under paragraph (b); and
- 28
- 29 (d) Failure to comply with the return service obligation without justifiable reason
- 30 shall obligate the scholar to refund the government the full cost of benefits
- 31 received, with legal interest, subject to implementing rules and regulations.
- 32

33 **Section 9. *Preferential Consideration for Government Service.*** – Presidential Merit
34 Scholars shall be accorded preferential consideration in recruitment and hiring in the
35 national and local government, subject to merit and fitness principles under the
36 Constitution and existing civil service laws and regulations.
37

38 **Section 10. *Program Monitoring and Evaluation.*** – CHED shall undertake robust
39 and periodic evaluation of the Program's effectiveness. It shall conduct impact
40 assessments every five (5) years using key indicators such as:
41

- 42 (a) Enrollment and graduation rates;
- 43 (b) Post-graduation employment and income levels;
- 44 (c) Contribution to public service and underserved sectors; and

1 (d) Geographic and socio-economic reach of the Program.
2

3 CHED may commission studies and adopt appropriate methodologies to assess
4 program outcomes. CHED, in coordination with the DBM and the Civil Service
5 Commission (CSC), shall determine the required *plantilla* positions necessary for the
6 monitoring and evaluation of the implementation of this Act.
7

8 CHED shall submit an annual report on the Program's implementation to
9 Congress and make such report publicly accessible through its official website.
10

11 **Section 11. *Implementing Rules and Regulations.*** – Within ninety (90) days from
12 the effectivity of this Act, CHED, in coordination with the DepEd, state universities and
13 colleges (SUCs), DEPED, CSC, and in consultation with relevant stakeholders, shall
14 promulgate the implementing rules and regulations necessary for the effective
15 implementation of this Act.
16

17 **Section 12. *Appropriations.*** – The amount necessary for the initial implementation
18 of this Act shall be charged against the current fiscal year's appropriations of CHED.
19 Thereafter, such sums as may be necessary for the continued implementation shall be
20 included in the annual General Appropriations Act.
21

22 **Section 13. *Separability Clause.*** – If any part or provision of this Act is held
23 unconstitutional or invalid, the remainder thereof not otherwise affected shall remain in
24 full force and effect.
25

26 **Section 14. *Repealing Clause.*** – All laws, decrees, executive orders, rules, and
27 regulations, or parts thereof inconsistent with the provisions of this Act are hereby
28 repealed or modified accordingly.
29

30 **Section 15. *Effectivity.*** – This Act shall take effect fifteen (15) days following the
31 completion of its publication in the *Official Gazette* or in a newspaper of general circulation.
32

33 *Approved,*