

Republic of the Philippines
House of Representatives
Quezon City, Metro Manila

TWENTIETH CONGRESS
First Regular Session

HOUSE BILL NO. **5378**



Introduced by Hon. Kenneth T. Gatchalian

EXPLANATORY NOTE

The 1987 Constitution mandates the State to protect and promote the right of all citizens to quality education and make it accessible at all levels.¹ Republic Act No. 6728, or the “Government Assistance to Students and Teachers in Private Education Act” (GASTPE), institutionalized government support for learners in private schools through the Educational Service Contracting (ESC) Scheme², later expanded by R.A. No. 8545 (E-GASTPE) to include teacher assistance, and further by R.A. No. 10533 to cover Senior High School through the SHS Voucher Program.³

Today, the E-GASTPE Program is the DepEd’s largest program, with a 2025 budget allocation of Php 40.51 billion or 5.2% of its total appropriations. Studies confirm that investing in private education through vouchers is more cost-efficient than continuously building classrooms and hiring additional public school teachers. Over 30 years, this approach could save the government an estimated Php 1.1 trillion.

However, the ESC Scheme has fallen short of its goals of decongesting public schools and ensuring equitable access for poor but deserving learners.

¹ 1987 Philippine Constitution, Article XIV, Section 1.

²As provided under the special provisions of the annual General Appropriations Act; See also DepEd D.O. No. 006, s. 2022, Reconstitution of the Government Assistance and Subsidies Composite Team, March 4, 2022.

³ DepEd Order (D.O.) No. 020, s. 2023, Guidelines on the Implementation of the Senior High School Voucher Program, July 26, 2023.

Its complex and flawed design has created inefficiencies and inequities.⁴ A voucher-based system provides a simpler, more transparent, and more cost-effective alternative that fosters competition among private schools while prioritizing access for disadvantaged learners.

This bill seeks to expand and rationalize government assistance by extending coverage to all levels of basic education, streamlining support through a uniform voucher system, and ensuring accountability and transparency in program implementation. By doing so, it strengthens the principle of complementarity between public and private institutions and upholds the constitutional mandate of accessible, quality education for all.

The immediate passage of this measure is earnestly sought.



KENNETH T. GATCHALIAN

⁴ World Bank, A Review of the Government's Education Service Contracting Program, 2011, pp. 15-16, retrieved from <https://openknowledge.worldbank.org/entities/publication/1ae4cc13-e390-5059-82be-b25cca219d46>, last accessed June 24, 2025.

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AN ACT
PROVIDING FOR GOVERNMENT ASSISTANCE TO PRIVATE BASIC
EDUCATION, FURTHER AMENDING FOR THE PURPOSE REPUBLIC ACT
NO. 6728, OTHERWISE KNOWN AS THE “GOVERNMENT ASSISTANCE
TO STUDENTS AND TEACHERS IN PRIVATE EDUCATION ACT”, AS
AMENDED, AND APPROPRIATING FUNDS THEREFOR

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

1 **SECTION 1.** This Act shall be known as the “Government Assistance to
2 Private Basic Education Act”.

3 **SEC. 2.** Section 2 of Republic Act No. 6728, entitled the “Government
4 Assistance to Students and Teachers in Private Education Act”, as amended by
5 Republic Act No. 10533, or the “Enhanced Basic Education Act of 2013” and
6 Republic Act No. 8545, or the “Expanded Government Assistance to Students and
7 Teachers in Private Education Act” is hereby further amended to read as follows:

8 SEC. 2. “SEC. 2. *Declaration of Policy.* — It is a declared policy of the State in
9 conformity with the mandate of the Constitution, to promote and make quality
10 education accessible to all Filipino citizens. The State also hereby recognizes the
11 complementary roles of public and private educational institutions in the

1 educational system and the invaluable contribution that the private schools have
2 made and will make to education. For these purposes, the State shall provide the
3 mechanisms to improve quality in private education by maximizing the use of
4 existing resources of private education, recognizing in the process the
5 government's responsibility to provide basic ~~[elementary and secondary~~
6 ~~education, post-secondary vocational and technical education, and higher]~~
7 education as having priority over its other functions.

8 THE ENHANCED BASIC EDUCATION PROGRAM
9 ENCOMPASSES AT LEAST ONE (1) YEAR OF KINDERGARTEN
10 EDUCATION, SIX (6) YEARS OF ELEMENTARY EDUCATION, AND
11 SIX (6) YEARS OF SECONDARY EDUCATION, PURSUANT TO
12 REPUBLIC ACT NO. 10533, OR THE "ENHANCED BASIC
13 EDUCATION ACT OF 2013".

14 ~~["Elementary education is the first six (6) years of basic education,~~
15 ~~excluding pre-school and grade seven, the completion of which is~~
16 ~~attested by a certificate issued by or with permission of the Department~~
17 ~~of Education, Culture and Sports. Secondary education is the next four~~
18 ~~(4) years of basic education, the completion of which is attested by a~~
19 ~~high school diploma issued by or with permission of the Department of~~
20 ~~Education, Culture and Sports.]~~

21 ~~["Post-secondary education may be education and training in~~
22 ~~non-degree vocational and technical courses offered in post-secondary~~
23 ~~vocational and technical institutions or education in degree courses~~
24 ~~offered by higher educational institutions, the completion of which are~~
25 ~~attested by a certificate or diploma issued by or with permission of the~~
26 ~~Technical Education and Skills Development Authority (TESDA) or~~
27 ~~the Commission on Higher Education (CHED), respectively.]"~~
28

1 **SEC. 3.** SEC. 3 of Republic Act No. 6728, as amended, is hereby further
2 amended to read as follows:

3 “SEC. 3. *Criteria for Assistance.* — The programs for assistance shall
4 be based on a set of criteria which shall include, ~~[among others]~~ **BUT NOT**
5 **LIMITED TO, CLASSROOM CONGESTION, OVERALL**
6 **PERFORMANCE, AND** tuition **AND OTHER** fees charged by ~~[the]~~
7 **PRIVATE BASIC EDUCATION** schools[;]; ~~[the socioeconomic needs of~~
8 ~~each region giving priority to the Social Reform Agenda (SRA)~~
9 ~~provinces, overall performance of schools, the academic qualifications,~~
10 ~~and]~~ financial needs of the ~~[students]~~ **LEARNERS**[;]; and
11 **PERFORMANCE OF PRIVATE BASIC EDUCATION** ~~[the]~~ teachers [;]
12 ~~and the financial needs of the schools, as well as the geographic spread~~
13 ~~and size of student population].~~

14 **FOR PURPOSES OF THIS ACT, PRIVATE BASIC**
15 **EDUCATION SHOOOLS SHALL INCLUDE PRIVATE EDUCATION**
16 **INSTITUTIONS OFFERING BASIC EDUCATION. PRIVATE**
17 **BASIC EDUCATION TEACHERS SHALL INCLUDE TEACHERS**
18 **IN PRIVATE EDUCATION INSTITUTIONS OFFERING BASIC**
19 **EDUCATION.**

20 ~~[“In addition to the foregoing criteria, within such reasonable~~
21 ~~time as the respective State Assistance Council may determine, student~~
22 ~~grantees under the Private Education Student Financial Assistance~~
23 ~~Program shall be enrolled in schools which have accredited programs~~
24 ~~or are applying for accreditation as may be recognized by the~~
25 ~~respective State Assistance Council.]~~

26 ~~[“Preference shall be given to students whose family income is not~~
27 ~~more than Seventy-two thousand pesos (P72,000.00) or such amounts~~
28 ~~as may be determined by the respective councils, as defined~~

hereinafter.]

~~["For purposes of this Act, programs of assistance to students and teachers of private post-secondary vocational and technical institutions and higher educational institutions shall likewise be extended to students and teachers of community colleges in degree and non-degree programs. Implementation of the program shall encourage students to undergo post-secondary vocational and technical and higher education courses in the same region where their families reside.]~~

"The programs of assistance under this Act shall be extended only to [students] LEARNERS who are citizens of the Philippines.

"The [~~State Assistance Council, jointly with the~~] Department of Education (DEPED) [~~Culture and Sports (DECS), the CHED and the TESDA~~] shall formulate measurement standards for the [~~evaluation of the quality of courses as well as the standing and status~~] ACCREDITATION AND QUALITY ASSURANCE of [the] recipient institutions.

~~["Within five (5) years from the approval of this Act, the assistance shall be given to schools: Provided, That the present allocation of the tuition fee and other income of the schools shall be used at the same proportion and allocation as provided by law.]"~~

SEC. 4. SEC. 4 of Republic Act No. 6728, as amended, is hereby further amended to read as follows:

"SEC. 4. *Forms of Assistance.* — [~~Assistance to private education shall consist of assistance to students and assistance to teachers.~~] The following are THE forms of assistance to [students] LEARNERS in private BASIC education

SCHOOLS:

“(1) Tuition fee [supplements] SUBSIDY [for students in private high schools, including students in vocational and technical courses]; AND

“(2) [High—School] BASIC EDUCATION [Textbook] LEARNING MATERIALS Assistance Fund.[~~:- Provided, That the textbook assistance per student in private high schools shall be determined by the council and shall not exceed what students in public high schools are provided on a per student basis under a comprehensive textbook program of the Secondary Education Development Program (SEDP): Provided, further, That the textbook assistance shall be granted only to beneficiaries of tuition fee supplements and educational service contracting scheme provided in this Act;~~

“(3) ~~Expansion of the existing Educational Service Contracting (ESC) Scheme;~~

“(4) ~~The voucher system of the Private Education Student Financial Assistance Program (PESFA);~~

“(5) ~~Scholarship grants to students graduating as valedictorians and salutatorians from secondary schools;~~

“(6) ~~Tuition fee supplements to students in private colleges and universities; and~~

“(7) ~~Education Loan Fund.]~~

“The following are THE forms of assistance to teachers [and faculty] in private BASIC education SCHOOLS:

“(1) In-service training fund [for teachers in private high schools]; and

“(2) [College Faculty Development Fund] TEACHERS’

1 **SALARY SUBSIDY FUND.”**

2 **SEC. 5.** SEC. 5 of Republic Act No. 6728, as amended, is hereby further
3 amended to read as follows: .

4 “SEC. 5. *Tuition Fee* ~~*[Supplements for Students in Private High*~~
5 ~~*Schools]*~~ **SUBSIDY.** – ~~**[(1) Financial Assistance for tuition for students]**~~
6 **TO COMPLY WITH THE STANDARD CLASSROOM-LEARNER**
7 **RATIO BY DECONGESTING OVERCROWDED CLASSROOMS IN**
8 **PUBLIC BASIC EDUCATION SCHOOLS, TUITION FEE SUBSIDY**
9 **FOR LEARNERS in [private high] SUCH schools shall be provided by the**
10 **government through a voucher system: [in the following manner: "(a) For**
11 ~~**students enrolled in schools charging an amount as may be determined**~~
12 ~~**by the State Assistance Council, the government shall provide them with**~~
13 ~~**a voucher in such an amount as may be determined by the council:]**~~
14 **PROVIDED, THAT LEARNERS BELONGING TO LOW INCOME**
15 **HOUSEHOLDS SHALL BE PRIORITIZED: PROVIDED, FURTHER,**
16 **THAT ALTERNATIVE LEARNING SYSTEM (ALS) COMPLETERS**
17 **UNDER REPUBLIC ACT NO. 11510, OTHERWISE KNOWN AS THE**
18 **“ALTERNATIVE LEARNING SYSTEM ACT”, SHALL BE**
19 **AUTOMATIC RECIPIENTS OF THE SUBSIDY.**

20 **THE AMOUNT OF THE VOUCHER SHALL BE**
21 **DETERMINED BY THE DEPED AND SHALL BE REVIEWED**
22 **EVERY THREE (3) YEARS: Provided, That the government shall**
23 **reimburse the [vouchers from the] schools concerned within [one**
24 ~~**hundred twenty (120)] SIXTY (60)**~~ **days from the close of the registration**
25 **period. THE DEPED SHALL FURTHER ENSURE QUALITY**
26 **STANDARDS FOR SUCH SCHOOLS TO QUALIFY AS**
27 **RECIPIENT INSTITUTIONS.**

1 ~~["(2) Assistance under paragraph (1), subparagraph (a) shall be~~
2 ~~guaranteed to all private high schools participating in the program for~~
3 ~~a number of slots as of the effectivity of this Act as the total number of~~
4 ~~students who availed of tuition fee supplements for school year 1997-~~
5 ~~1998: Provided, That the State Assistance Council may in subsequent~~
6 ~~years determine additional slots and/or additional participating high~~
7 ~~schools as may be deemed necessary.]"~~

8 SEC. 6. SEC. 6 of Republic Act No. 6728, as amended, is hereby further
9 amended to read as follows:

10 “SEC. 6. ~~[High School]~~ **BASIC EDUCATION [Textbook]**
11 **LEARNING MATERIALS Assistance Fund.** — There shall be
12 established in the ~~[Department of Education, Culture and Sports~~
13 ~~(DECS)]~~ **DEPED**, a ~~[High School]~~ **BASIC EDUCATION [Textbook]**
14 **LEARNING MATERIALS Assistance Fund**, so that assistance on a
15 per ~~[student]~~ **LEARNER** basis shall be given to ~~[students]~~
16 **LEARNERS** enrolled in private schools exclusively for the purchase
17 of ~~[high school]~~ **BASIC EDUCATION [textbooks] LEARNING**
18 **MATERIALS** ~~[, in support of the implementation of the~~
19 ~~Secondary Education Development Program]~~: *Provided*, That the
20 ~~[textbook]~~ **LEARNING MATERIALS** assistance per ~~[student]~~
21 **LEARNER** in private ~~[high]~~ **BASIC EDUCATION** schools shall be
22 determined by the ~~[council]~~ **DEPED** and shall not exceed what
23 ~~[students]~~ **LEARNERS** in public ~~[high]~~ **BASIC EDUCATION**
24 schools are provided on a per ~~[student]~~ **LEARNER** basis: *Provided,*
25 *further*, That the ~~[textbook]~~ **LEARNING MATERIALS** assistance
26 shall be granted only to ~~[beneficiaries]~~ **RECIPIENTS** of **THE**
27 tuition fee ~~[supplements and educational service contracting~~
28 ~~scheme]~~ **SUBSIDY AS** provided in this Act.”

1 **SEC. 7.** Sections 7 (Expansion of the Existing Educational Service
2 Contracting (ESC) Scheme), 8 (Assistance to College Freshmen), 9 (Further
3 Assistance to Students in Private Colleges and Universities), 10 (Education Loan
4 Fund), and 11 of Republic Act No. 6728, as amended, are hereby deleted.

5 **SEC. 8.** SEC. 12 of Republic Act No. 6728, as amended, is hereby further
6 amended to read as follows:

7 “SEC. 12. *In-service Training Fund (Inset Fund)*. — For the purpose
8 of improving the quality of teaching in private ~~[secondary]~~ **BASIC**
9 education **SCHOOLS**, there is hereby established in the ~~[Department of~~
10 ~~Education, Culture and Sports]~~ **DEPED** an Inset Fund to provide for the
11 upgrading of knowledge and teaching competencies in critical subject areas
12 and for the modernization of teaching techniques and strategies, including
13 training in the use of ~~[computers and of other multi-media]~~ educational
14 technologies to assist instruction: *Provided*, That the Inset Fund shall be
15 available only to qualified licensed teachers in participating private ~~[high]~~
16 **BASIC EDUCATION** schools as determined by the ~~[State Assistance~~
17 ~~Council]~~ **DEPED**: *Provided, further*, That the amount of Inset Fund
18 available to private ~~[secondary]~~ **BASIC** education **SCHOOLS** shall not
19 exceed that available to public ~~[secondary]~~ **BASIC** education **SCHOOLS**
20 on a per capita basis.”

21 **SEC. 9.** Section 13 (College Faculty Development Fund) of Republic Act
22 No. 6728, as amended, is hereby deleted.

23 **SEC. 10.** SEC. 14 of Republic Act No. 6728, as amended, is hereby further
24 amended to read as follows:

25 “SEC. 14. *Teachers' Salary Subsidy Fund*. — A Teachers' Salary
26 Subsidy Fund is hereby established in the ~~[DECS]~~ **DEPED** to grant
27 government subsidy to teachers in private ~~[high]~~ **BASIC EDUCATION**

1 schools participating in the ~~[programs of assistance]~~ **VOUCHER**
2 **SYSTEM AS** provided in this Act: *Provided, THAT PRIORITY SHALL*
3 **BE GIVEN TO HIGH PERFORMING TEACHERS USING**
4 **STANDARDS-BASED ASSESSMENTS, PERFORMANCE**
5 **EVALUATIONS, OR OTHER APPROPRIATE MEASURES OF**
6 **TEACHING COMPETENCE: PROVIDED, FURTHER,** That the total
7 monthly salary which includes the subsidy to be received by such private
8 **[high] BASIC EDUCATION [school]** teachers shall not be more than
9 eighty percent (80%) of the salary of ~~[his]~~ **THEIR** counterpartS in the
10 public sector: *Provided, furtherMORE,* That the amount of monthly
11 subsidy shall not exceed the amount of any monthly salary increase that
12 teachers in public high schools shall after the effectivity of this Act
13 hereinafter receive: *Provided, furtherMORE,* That private **[high] BASIC**
14 **EDUCATION-[school]** teachers qualified to receive **THE** subsidy under
15 this Act are duly licensed by the Professional Regulation Commission:
16 *Provided, [further] FINALLY,* That the **[government] DEPED** shall
17 provide them with a ~~[voucher for the]~~ salary subsidy which shall be
18 **[reimbursed] PAID OUT** directly to the teachers within ~~[sixty (60)]~~
19 **THIRTY (30)** days after the close of the school year upon submission of
20 proof of qualification and actual teaching service in **[a]** participating private
21 **[high] BASIC EDUCATION** schoolS ~~[: PROVIDED, finally, That the~~
22 ~~present allocation out of increases from tuition and other income shall~~
23 ~~be maintained: PROVIDED, finally, That in case of insufficiency of funds,~~
24 ~~priority shall be given to married teachers supporting a family].”~~

25 **SEC. 11.** SEC. 15 of Republic Act No. 6728, as amended, is hereby further
26 amended to read as follows:

27 “SEC. 15. *Program Administration*~~[A]~~; *Rules and Regulations.* — The

1 ~~[State Assistance Council]~~ **DEPED** shall be responsible for policy
2 guidance and direction, monitoring and evaluation of new and existing
3 programs, ~~[and the]~~ promulgation of the rules and regulations, ~~[while the~~
4 ~~Department of Education, Culture and Sports, shall be responsible for]~~
5 day to day administration[,] and program implementation for the programs
6 of assistance to private ~~[secondary]~~ **BASIC** education **SCHOOLS** ~~[-, post-~~
7 ~~secondary vocational and technical education and higher education,~~
8 ~~respectively]~~. Likewise, it may engage the **SUPPORT** services ~~[and~~
9 ~~support]~~ of any ~~[qualified]~~ **RELEVANT** government or **QUALIFIED**
10 private ~~[entity for its]~~ **ENTITIES TO ASSIST IN THE** implementation
11 **OF THE PROGRAMS UNDER THIS ACT: PROVIDED, THAT THE**
12 **ENGAGEMENT OF PRIVATE ENTITIES UNDER THIS SECTION**
13 **SHALL BE SUBJECT TO PROCUREMENT LAWS AND**
14 **REGULATIONS, AND SUCH PRIVATE ENTITIES SHALL BE**
15 **SUBJECT TO THE POWER AND AUTHORITY OF THE**
16 **COMMISSION ON AUDIT WITH RESPECT TO THE USE OF**
17 **PUBLIC FUNDS RECEIVED PURSUANT TO THIS ACT.**

18 ~~["The State Assistance Council, hereinafter known as the Council,~~
19 ~~shall be headed by the Secretary of Education, Culture and Sports as~~
20 ~~chairperson, the chairperson of the CHED and the director-general of~~
21 ~~the TESDA as co-chairpersons, with representatives from the National~~
22 ~~Economic and Development Authority, the Department of Budget and~~
23 ~~Management, the Department of Science and Technology, and~~
24 ~~representatives from duly organized nationwide associations of~~
25 ~~teachers, students, parents, and school administrators concerned with~~
26 ~~secondary, post-secondary vocational and technical education and~~
27 ~~higher education as members. The last three (3) members shall be~~
28 ~~appointed by the Council upon the recommendation of their respective~~

1 ~~sectors for a term of one (1) school year subject to re-appointment for~~
2 ~~a maximum term of four (4) school years. A representative each from~~
3 ~~the Committees on Education of both Houses of Congress shall be~~
4 ~~designated resource persons to the Council.]~~

5 ~~["The Council shall meet, from time to time, as the need arises, to~~
6 ~~assess the effectivity of the programs and to ensure that the secondary~~
7 ~~schools, post-secondary vocational and technical institutions and~~
8 ~~higher educational institutions where student recipients are enrolled~~
9 ~~continue to provide quality education. For this purpose, the Council~~
10 ~~shall establish criteria, to determine which secondary schools, post-~~
11 ~~secondary vocational and technical institutions and higher educational~~
12 ~~institutions may continue to enroll students and teachers/faculty as~~
13 ~~recipients of government assistance under this Act.]"~~

14 SEC. 12. *Transitory Provision.* – Upon the effectivity of this Act, recipients
15 of the Educational Service Contracting Scheme under Republic Act No. 6728, as
16 amended, shall become voucher recipients under Sec. 5 herein: Provided, That they
17 meet the criterion on financial need under Sec. 3.

18 Further, all forms of assistance for post-secondary education programs under
19 Republic Act No. 6728, as amended, shall be transferred to and managed by the
20 Unified Student Financial Assistance System for Tertiary Education (UniFAST)
21 Board, as created by Republic Act No. 10687, otherwise known as the “Unified
22 Student Financial Assistance System for Tertiary Education (UniFAST) Act.”

23 SEC. 13. *Annual Report.* – Three (3) years after the effectivity of this Act,
24 the DepEd shall commence the submission of annual reports on the status of its
25 implementation to the Committee on Basic Education of the Senate and the
26 Committee on Basic Education and Culture of the House of Representatives.

1 **SEC. 14. *Implementing Rules and Regulations (IRR).*** – The DepEd, in
2 consultation with the DBM, relevant government agencies, and other education
3 stakeholders, shall formulate and issue the rules and regulations within sixty (60)
4 days after the effectivity of this Act. The IRR issued pursuant to this section shall
5 take effect thirty (30) days after its publication in a newspaper of general circulation.

6 **SEC. 15. *Separability Clause.*** – If any provision or part of this Act is
7 declared invalid or unconstitutional, the other provisions hereof which are not
8 affected thereby shall continue to be in full force and effect.

9 **SEC. 16. *Repealing Clause.*** – All other laws, executive orders, presidential
10 decrees, administrative orders, rules and regulations, issuances, or parts thereof
11 inconsistent with or contrary to the provisions of this Act are hereby repealed or
12 amended accordingly.

13 **SEC. 17. *Effectivity.*** – This Act shall take effect fifteen (15) days after its
14 publication in the Official Gazette or in a newspaper of general circulation.

15
16 *Approved,*