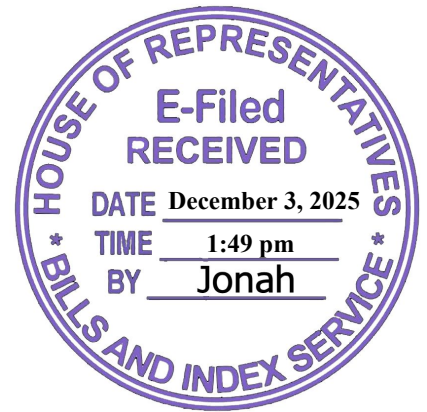


Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City, Metro Manila

TWENTIETH CONGRESS
First Regular Session

HOUSE BILL NO. 6579



Introduced by:

HON. CHRISTOPHERSON "COCO" M. YAP

EXPLANATORY NOTE

Poverty driven dropout remains a painful barrier to completing college, even with the benefits of free tuition under Republic Act 10931 and the support provided by the Tertiary Education Subsidy and 4Ps. Many students from low-income families still struggle with the everyday cost of living while studying — meals, transportation, rent, data load, and basic school supplies. These quiet but overwhelming burdens force many young Filipinos to delay their studies or leave school entirely, cutting short opportunities that education should have opened for them.

This bill responds by establishing the Book Allowance and Other Necessities or BAON Stipend, a monthly P3,000 allowance for students belonging to the poorest fifty percent of households as identified through the Community Based Monitoring System. The stipend directly supports basic needs that tuition waivers do not cover, allowing students in both public and private higher education institutions to focus on their studies instead of day-to-day survival. Harmonized with CHED, UniFAST, and DSWD targeting systems, and provided on top of existing programs, the BAON Stipend ensures that those who need help most receive timely, predictable, and dignified support.

The bill rests on firm legal foundations permitting national agencies to implement such programs and authorizing Congress to expand CHED's mandate. It builds in privacy safeguards, responsible data sharing, and efficient electronic disbursement, while allowing compassionate flexibility for students facing disability, emergencies, or caregiving responsibilities. By addressing the real costs that keep poor students from earning their degrees, this measure strengthens the promise of free higher

education and affirms the nation's belief that no student should abandon their dreams because poverty made learning impossible.

In view of the foregoing, **ug sa ngalan sa SERBISYONG TINUORAY**, the undersigned respectfully requests the immediate passage of this measure.


CHRISTOPHERSON "COCO" M. YAP
Representative, Second District of Southern Leyte

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HON. CHRISTOPHERSON “COCO” M. YAP

AN ACT
PROVIDING FOR A MONTHLY STIPEND FOR STUDENTS IN HIGHER EDUCATION
INSTITUTIONS BELONGING TO THE POOREST FIFTY PERCENT OF HOUSEHOLDS,
APPROPRIATING FUNDS THEREFOR, AND FOR OTHER PURPOSES

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

CHAPTER I
GENERAL PROVISIONS

SECTION 1. Short Title. — This Act shall be known as the “*Book Allowance and Other Necessities (BAON) Act.*”

SECTION 2. Declaration of Policy. — It is the policy of the State to ensure that no Filipino is denied access to higher education by reason of poverty. Consistent with the Universal Access to Quality Tertiary Education framework, the State shall (a) address non-tuition costs that impede completion; (b) target the poorest households through transparent, data-driven systems; and (c) harmonize student financial assistance to be efficient, accountable, and results-focused.

SECTION 3. Definition of Terms. — As used in this Act:

- (a) *Commission on Higher Education (CHED)* refers to the government agency created to govern tertiary education policies and standards.

- (b) *Community-Based Monitoring System (CBMS)* refers to an organized technology-based system of collecting, processing, and validating necessary disaggregated data that may be used for planning, program implementation, and impact monitoring at the local level while empowering communities to participate in the process, as established under Republic Act No. 11315.
- (c) *Higher Education Institution (HEI)* refers to a State University or College (SUC), Local University or College (LUC), or private higher education institution recognized by CHED to offer undergraduate programs.
- (d) *Local Universities and Colleges (LUCs)* refer to public HEIs established and supported by Local Government Units, recognized by CHED and compliant with its policies and standards.
- (e) *State Universities and Colleges (SUCs)* refer to public HEIs established by the national government, governed by their respective Boards of Regents/Trustees.
- (f) *Tertiary Education Subsidy (TES)* refers to the program under R.A. 10931 administered by the Unified Student Financial Assistance System for Tertiary Education (UniFAST) to support costs of tertiary education.
- (g) *Pantawid Pamilyang Pilipino Program (4Ps)* refers to the national poverty reduction strategy and human capital investment program for poor households. It provides conditional cash transfers to improve health, nutrition, and education under Republic Act No. 11310;
- (h) *School* refers to public and private higher education institutions authorized and recognized by CHED to offer bachelor's degree or graduate courses;
- (i) *UniFAST* refers to the unified system created under R.A. 10687 to harmonize, administer, and coordinate government student financial assistance.
- (j) *Standardized Targeting System (Listahanan)* refers to the DSWD's official, objective, and transparent database of poor households used for targeting and prioritization under law.
- (k) *Poorest Fifty Percent (Bottom 50%)* refers to households ranked by per capita income or multidimensional poverty metrics within the national population using the DSWD Standardized Targeting System, as periodically updated, and,

where warranted, complemented by officially recognized Small Area Estimates.

SECTION 4. The BAON Monthly Stipend. — There is hereby established a monthly BAON stipend for eligible Filipino students enrolled in HEIs to support basic living costs, including but not limited to food, local transportation, books and supplies, connectivity/devices, and reasonable room-and-board.

SECTION 5. Lead Implementing Agency; Program Integration. — The BAON stipend shall be implemented by CHED through the UniFAST Board and Secretariat, in coordination with the DSWD for poverty targeting and with HEIs for enrollment verification. The BAON stipend shall be integrated into the UniFAST portfolio and harmonized with TES and other government-funded student financial assistance to avoid duplication and ensure efficient delivery.

SECTION 6. Beneficiaries and Prioritization.

- (a) *Eligibility.* A Filipino student enrolled in an undergraduate program at an HEI is eligible if the student's household is within the poorest fifty percent (50%) nationally as determined through the DSWD Standardized Targeting System, subject to UniFAST rules and documentary requirements.
- (b) *Prioritization.* In case of budget constraints, prioritization shall be observed in the following order: (1) SUC and LUC students whose households are current 4Ps beneficiaries, as verified by DSWD; (2) SUC and LUC students from Indigenous Cultural Communities/Indigenous Peoples and/or households in geographically isolated and disadvantaged areas (GIDAs); (3) Other SUC and LUC students from households in the bottom 50%; (4) Students in private HEIs from households in the bottom 50%.
- (c) *Non-duplication.* The UniFAST Board shall prescribe rules to prevent double-funding of identical cost items between BAON and TES; however, receipt of TES or other scholarships shall not disqualify an otherwise eligible student from BAON, subject to non-duplication and budget availability.

SECTION 7. Amount, Indexation, and Duration. —

- (a) *Amount.* During the first year of implementation, the stipend shall be Three Thousand Pesos (₱3,000.00) per month for ten (10) months of the academic year, or Thirty Thousand Pesos (₱30,000.00) per eligible student per year.

- (b) *Indexation.* Beginning the third fiscal year, the UniFAST Board may adjust the stipend amount, but not below its real value at effectivity, using inflation and region-specific cost-of-living indices, subject to available appropriations and Board-issued guidelines.
- (c) *Duration.* The stipend may be availed per academic term while the student remains eligible and in good standing, subject to maximum residency and UniFAST retention rules.

SECTION 8. Conditions; Reasonable Flexibilities. —

- (a) *Conditions.* Beneficiaries shall: (1) be officially enrolled in an eligible HEI; (2) carry at least the minimum academic load prescribed by the program, with allowance for institutional rules; and (3) maintain good academic standing as defined by UniFAST guidelines.
- (b) *Flexibilities.* UniFAST shall provide reasonable accommodations for students with disabilities, working students, student-parents/primary caregivers, and those affected by force majeure, public health emergencies, or analogous circumstances.

SECTION 9. Application, Verification, and Disbursement. —

- (a) *Targeting and Verification.* DSWD shall, upon CHED-UniFAST request, securely transmit poverty status of applicants/households from the Standardized Targeting System for eligibility determination. HEIs shall certify enrollment each term through secure electronic submissions to UniFAST.
- (b) *Disbursement.* CHED-UniFAST shall disburse stipends directly to beneficiaries via government-approved electronic payment systems, with bank/e-wallet options, and shall not require HEIs to handle or sub-disburse BAON funds, except where expressly authorized for last-mile cases under Board guidelines.
- (c) *Timelines.* UniFAST shall adopt time-bound service standards for validation, approval, and payment, and maintain an electronic monitoring dashboard. Unjustified delays shall be subject to administrative accountability under existing laws and rules.

- (d) *Grievance Redress.* UniFAST shall maintain a transparent grievance, appeals, and fraud-reporting mechanism with published timelines and outcomes.

SECTION 10. Safeguards; Prohibited Acts. —

- (a) It shall be unlawful to:
 - (1) knowingly submit false information or forged documents to obtain BAON;
 - (2) misappropriate or divert BAON funds; or
 - (3) solicit or receive any consideration in exchange for inclusion or prioritization.
- (b) *Penalties.* Without prejudice to prosecution under the Revised Penal Code and special laws, administrative sanctions and restitution shall be imposed by CHED-UniFAST after due process. HEIs or providers complicit in fraud may face suspension from UniFAST programs and referral to appropriate agencies.

SECTION 11. Program Harmonization and Data Governance. — CHED-UniFAST and DSWD shall issue joint data-sharing and privacy protocols compliant with law to (a) enable eligibility verification; (b) prevent double-funding; and (c) support monitoring and evaluation. The BAON stipend shall be reflected within UniFAST's consolidated portfolio per its mandate.

SECTION 12. Monitoring, Evaluation, and Reporting. —

- (a) *Performance Framework.* CHED-UniFAST shall adopt a results framework tracking coverage, timeliness of payments, persistence and on-time completion rates, and labor market outcomes, disaggregated by income decile, sex, disability, ICC/IP, GIDA, and HEI type.
- (b) *Periodic Assessment and Adjustment.* Every three (3) years, CHED-UniFAST, in coordination with DSWD and HEIs, student councils/associations, shall conduct an impact assessment. Based on findings and subject to appropriations, the UniFAST Board may adjust stipend amounts and rules consistent with Section 7.
- (c) *Reports to Congress.* CHED-UniFAST shall submit an annual report to Congress and the UniFAST Congressional Oversight Committee detailing implementation, finances, performance indicators, audit observations, and recommended program improvements.

SECTION 13. Appropriations. — The amount necessary for the initial implementation of this Act is hereby appropriated from the National Treasury and shall be included under CHED-UniFAST in the General Appropriations Act. Thereafter, such sums as may be necessary for continued implementation shall be included annually in the GAA. Administrative costs shall observe the caps and best practices applicable to UniFAST programs.

SECTION 14. Implementing Rules and Regulations (IRR). — Within ninety (90) days from effectivity, CHED through UniFAST, in consultation with DSWD, HEIs, student governments/associations, and other relevant agencies and stakeholders, shall promulgate the IRR to implement this Act.

SECTION 15. Separability Clause. — If any provision of this Act is declared unconstitutional or invalid, the remainder shall not be affected and shall continue to be in full force and effect.

SECTION 16. Repealing and Harmonizing Clause. — All laws, rules, regulations, and issuances inconsistent with this Act are hereby modified or repealed accordingly. Nothing in this Act shall be construed to diminish benefits under R.A. 10931 or to prevent UniFAST harmonization as provided in R.A. 10687.

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

Approved,