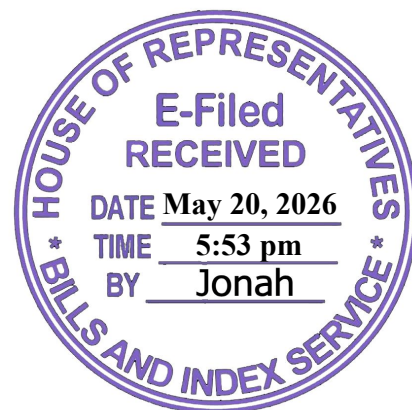




Republic of the Philippines
House of Representatives
Quezon City, Metro Manila

Twentieth Congress
First Regular Session

HOUSE BILL NO. 9379



**Introduced by Representatives Ferdinand Martin G. Romualdez,
Yedda Marie K. Romualdez, Andrew Julian K. Romualdez and Jude A.
Acidre**

AN ACT
STRENGTHENING THE ESTABLISHMENT AND OPERATION OF
ALL PUBLIC AND PRIVATE HIGHER EDUCATION INSTITUTIONS

EXPLANATORY NOTE

The Constitution recognizes the vital role of education in national development and explicitly guarantees the academic freedom of institutions of higher learning. Over the years, however, the regulatory environment governing higher education has become increasingly complex, resulting in tensions between academic freedom and the State's supervisory powers, as well as inconsistencies in the treatment of public and private higher education institutions (HEIs).

This proposed measure, entitled the "Strengthened Higher Education Institutions Act," seeks to clarify, strengthen, and harmonize the legal framework governing higher education in the Philippines. It affirms institutional academic freedom as a foundational principle while clearly defining the scope and limits of reasonable State supervision and regulation, primarily through the Commission on Higher Education (CHED).

The bill reiterates the four essential freedoms of higher education institutions—namely, the freedom to determine who may teach, what may be taught, how it shall be taught, and who may be admitted to study—while recognizing the authority of the State to impose minimum standards to protect public welfare and ensure quality education. In doing so, it provides HEIs with wider discretion over admissions, curricula, faculty appointments, and financial allocations, consistent with their academic mission and institutional autonomy.

This measure also strengthens the mandate of the CHED by vesting it with ample authority to set mandatory minimum institutional and course requirements, oversee external governance of HEIs, and regulate the establishment, conversion, recognition, and closure of academic programs. At the same time, it respects the internal governance structures of HEIs by leaving internal management decisions to their respective governing boards and administrative officials.

To promote a balanced and integrated higher education system, the bill adopts the principle of competitive neutrality in the recognition of programs offered by public HEIs, particularly state universities and colleges (SUCs) and local universities and colleges (LUCs). It recognizes the complementary roles of public and private institutions and seeks to prevent unnecessary duplication, inefficiency, and monopolization of academic offerings, while ensuring that programs essential to national, regional, and local development are supported.

The measure further advances quality assurance through outcomes-based education, industry and stakeholder participation in curriculum development, and incentives for HEIs that consistently demonstrate standards of excellence through voluntary accreditation. It institutionalizes incentives such as Centers of Excellence, Centers of Development, and autonomous and deregulated status, thereby encouraging innovation, research, and global competitiveness.

In recognition of the increasing globalization of higher education, the bill promotes the internationalization of academic programs by removing unnecessary administrative barriers to foreign student admission and aligning Philippine higher education standards with international norms, consistent with existing laws on transnational education.

Additionally, the bill provides tax exemptions for government subsidies granted to private HEIs, ensuring that public funds intended to support education are fully utilized for academic and institutional development. It also includes transitory provisions to allow existing institutions, particularly local colleges and universities, sufficient time to comply with updated regulatory requirements.

Ultimately, this measure seeks to strengthen the Philippine higher education system by striking a principled balance between academic freedom and responsible State regulation, fostering quality, accessibility, competitiveness, and sustainability in higher education.

In view of the foregoing, approval of this bill is earnestly requested.



FERDINAND MARTIN G. ROMUALDEZ



YEDDA MARIE K. ROMUALDEZ



ANDREW JULIAN K. ROMUALDEZ



JUDE A. ACIDRE



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

SECTION 1. *Short Title.* – This Act shall be known as the “Strengthened Higher Education Institutions Act”.

SEC. 2. *Declaration of Policy.* – It is hereby declared the policy of the State to promote and protect the academic freedom of all institutions of higher learning, thereby allowing them to set aims and objectives and decide on how best to attain them. Such decision shall be free from outside coercion or interference, save possibly when the overriding public welfare calls for some restraint.

The State shall, in recognition of the complementary roles of public and private sectors in higher education, exercise reasonable supervision and regulation of all

higher education institutions, both public and private, and guarantee their institutional academic freedom.

SEC. 3. *Mandate of Reasonable Supervision and Regulation of Higher Education Institutions.* – In conjunction with academic freedom, the Commission on Higher Education (CHED) and other relevant government regulatory agencies shall exercise reasonable supervision and regulation of all higher education institutions (HEIs). This includes imposing reasonable requirements, setting conditions, prescribing restrictions, and ensuring compliance. In this regard, the CHED shall be vested with ample authority to set the mandatory minimum institutional and course requirements for all HEIs.

SEC. 4. *External Governance of HEIs.* – The external governance of HEIs and programs in both public and private sectors, except for the University of the Philippines System and the Mindanao State University System, shall be under the oversight function of the CHED: Provided, That the internal governance of all HEIs shall be left to their respective governing boards and administrative officers.

SEC. 5. *Institutional Academic Freedom; Extent.* – Academic freedom, in the concept of freedom of intellectual inquiry, is basic to intellectual growth and development. It provides a conducive atmosphere for speculation, experimentation, and creation where the four essential freedoms of the HEIs prevail: the right to determine for itself on academic grounds (a) who may teach; (b) what may be taught; (c) how it shall be taught; and (d) who may be admitted to study.

In pursuit of academic excellence, HEIs are clothed with a wider sphere of discretion and de facto control over the following:

- a. Admission, retention, and examination of students;

- b. Curricula for courses of study;
- c. Appointment and tenure of school personnel; and
- d. Allocation of income among the different categories of expenditure.

SEC. 6. Establishment and Conversion of HEIs. – All HEIs shall be established and converted in accordance with law.

All state colleges shall be established, including their conversion into state universities, in accordance with their respective charters and other pertinent laws passed by Congress.

All local colleges shall be established, including their conversion into local universities, through the issuance of a local ordinance in accordance with Republic Act No. 7160, otherwise known as the “Local Government Code of 1991” and other pertinent laws.

All private HEIs shall be established in accordance with the provisions of Republic Act No. 11232, otherwise known as the “Revised Corporation Code of the Philippines”.

SEC. 7. *Recognition and Offering of Programs of HEIs.* - The offering of undergraduate, graduate, and post-graduate degree programs of all public and private HEIs shall be subject to mandatory prior authorization of the government, which consists of two phases: permit and recognition.

SEC. 8. *Requirements for Course Offerings.* – Consistent with the academic freedom of HEIs, the minimum requirements set by the CHED for the grant of permit and recognition shall be consistent with the outcomes-based approach in designing the appropriate curriculum of courses and programs to fit their desired outcomes for graduates with due regard to high quality standards in higher education.

Minimum curricular and institutional requirements for courses and programs shall be developed by the CHED with significant participation from industry associations, chambers of commerce, professional organizations, and experts from the academe. For public HEIs, representatives from the National Economic and Development Authority and the Department of Budget and Management shall be included.

SEC. 9. *Recognition of Courses in State Universities and Colleges and Local Universities and Colleges.* – In the grant of recognition of programs of public HEIs such as state universities and colleges (SUCs), local universities and colleges (LUCs) and other CHED-supervised public HEIs, the State shall adhere to the principle of competitive neutrality to avoid dominance or monopoly of the State in higher education.

Thus, in recognition of the complementary roles of the public and private sectors under an integrated Philippine Higher Education System, and to ensure efficient and optimum use of government funds, the following shall be taken into account in the grant of recognition of academic courses and programs in public HEIs:

- a. Number and proximity of existing public and private HEIs in the locality and the region;
- b. Course and programs currently being offered by HEIs; and
- c. The need to promote undersubscribed courses in existing HEIs necessary for national, local or regional economic development.

The appropriate rules and regulations governing the grant of permit and recognition shall be prescribed and enforced by the CHED.

The said rules and regulations shall:

- a. Define who are qualified to apply;
- b. Provide for a permit and recognition system; and
- c. State the conditions for the grant of permit and recognition and for its revocation, cancellation and withdrawal.

SEC. 10. *Closure of Program.* – The closure of any course or degree program offered by HEIs shall be in compliance with the procedures prescribed by the CHED. The closure may be voluntary, involuntary, outright, or done through a phase-out process effected at the end of an academic year: *Provided*, That the CHED shall be informed of the planned closure: *Provided further*, That no first-year student shall be accepted to the program to be closed: *Provided further*, That second year to fourth year students shall be allowed to shift to another course or program within the HEI: *Provided finally*, That the CHED shall assist the affected students who wish to transfer to another HEI yet enroll in and complete the requirements of the same course or program.

SEC. 11. *Internationalization of Standards.* – The CHED shall ensure that no unnecessary administrative barriers shall hinder the internationalization of programs in Philippine higher education through the admission of qualified foreign students, subject to the Constitutional limitation of not more than 30 percent of the total student population in an institution. The CHED may adjust, streamline, and enhance course standards and requirements for recognition of certain academic programs to ensure alignment with international standards and in accordance with Republic Act No. 11448, otherwise known as the “Transnational Higher Education Act”.

Higher education and training institutions are likewise encouraged to offer courses and degrees globally.

SEC. 12. *Incentives for High Standards of Quality.* – To encourage all HEIs to pursue high standards of quality over and above the government mandatory requirements for recognition, the CHED shall develop a system for incentives and wider autonomy for HEIs that consistently demonstrate and adhere to standards of excellence duly affirmed and validated by voluntary accrediting bodies and organizations.

SEC. 13. *Centers of Excellence and Centers of Development, and Autonomous and Deregulated HEIs.* – The incentive system of the CHED shall include recognition of Centers of Excellence and Centers of Development, and autonomous and deregulated HEIs, focusing on highly innovative academic courses and programs through high standards of instruction and research, and based on respective types of HEIs.

The CHED shall provide the appropriate issuances for the selection criteria, benefits and responsibilities, and conditions for grant of centers of excellence and development, and autonomous and deregulated status of all HEIs.

SEC. 14. *Exemption of Government Subsidies from Taxes on Income.* – Government funding assistance or support received by private HEIs for institutional and educational programs, student subsidies and faculty development shall be exempt from national and local income taxes and other similar impositions on income.

SEC. 15. *Implementing Rules and Regulations.* – Within ninety (90) days from the effectivity of this Act, the CHED shall, in coordination with the Philippine Association of State Universities and Colleges, Coordinating Council of Private Educational Associations, Association of Local Colleges and Universities, and other relevant higher education stakeholders, promulgate the necessary rules and regulations for the full and effective implementation of this Act.

SEC. 16. *Transitory Provision.* – All duly-established LUCs offering degree programs not otherwise permitted or recognized by the CHED shall be given five (5) years from the effectivity of this Act to secure proper permit and recognition from the CHED to offer said programs: Provided, That any accreditation or certificate issued by the CHED prior to this Act for purposes of participating in the programs under Republic Act No. 10931, otherwise known as the “Universal Access to Quality Tertiary Education Act”, shall not be considered as permit or recognition for purposes of this Act: Provided further, That the CHED shall update its existing policies relative to the grant of autonomous and deregulated status to HEIs to expand its coverage to public colleges and universities and ensure alignment with the principles of this Act: Provided finally, That the CHED shall conduct a thorough review and recalibration of all its existing and relevant administrative issuances to ensure that these are aligned with the principles introduced in this Act within a period of six (6) months from the effectivity of this Act and submit a report to Congress on the first year of its implementation.

SEC. 17. *Separability Clause.* – If any provision or part of this Act is held unconstitutional or invalid, the other provisions or parts hereof which are not affected shall continue to be in full force and effect.

SEC. 18. *Repealing Clause.* – All laws, decrees, letters of instruction, resolutions, orders, or parts thereof which are inconsistent with the provisions of this Act are hereby repealed, modified, or amended accordingly.

SEC. 19. *Effectivity.* – This Act shall take effect fifteen (15) days after its publication in the *Official Gazette* or in a newspaper of general circulation.

Approved,