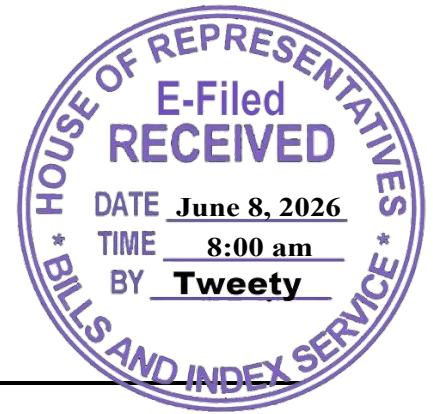


Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City

TWENTIETH CONGRESS
First Regular Session



COMMITTEE REPORT NO. 454

Submitted by the Committee on Higher and Technical Education on June 8, 2026

Re: House Bill No. 9812

Recommending its approval in substitution of House Bills Numbered 727, 1239, 1253, 1990, 4564, 4568, 4597, 4686, 4800, 5280, and 6659

Sponsors: Representatives Jude A. Acidre and Antolin A. Oreta III

Mr. Speaker:

The Committee on Higher and Technical Education, to which were referred House Bill No. 727, introduced by Representative Antolin A. Oreta III, entitled:

“AN ACT
PRESCRIBING THE GUIDELINES FOR THE ESTABLISHMENT AND
OPERATION OF LOCAL UNIVERSITIES AND COLLEGES”;

House Bill No. 1239, introduced by Representatives Rufus B. Rodriguez and Maximo B. Rodriguez, Jr., entitled:

“AN ACT
PRESCRIBING THE GUIDELINES FOR THE ESTABLISHMENT AND
OPERATION OF LOCAL UNIVERSITIES AND COLLEGES”;

House Bill No. 1253, introduced by Representative Marcelino “Marcy” R. Teodoro, entitled:

“AN ACT
PRESCRIBING THE GUIDELINES FOR THE ESTABLISHMENT AND
OPERATION OF LOCAL UNIVERSITIES AND COLLEGES”;

House Bill No. 1990, introduced by Representatives Miguel Luis R. Villafuerte, Vincenzo Renato Luigi R. Villafuerte, Tsuyoshi Anthony “Hori” G. Horibata, and Terry L. Ridon, entitled:

“AN ACT
PRESCRIBING THE GUIDELINES FOR THE ESTABLISHMENT AND
OPERATION OF LOCAL UNIVERSITIES AND COLLEGES”;

House Bill No. 4564, introduced by Representative Ziaur-Rahman “Zia” Alonto Adiong, entitled:

“AN ACT
PRESCRIBING THE MANDATORY GUIDELINES FOR THE
ESTABLISHMENT AND OPERATION OF LOCAL UNIVERSITIES AND
COLLEGES”;

House Bill No. 4568, introduced by Representative Marlyn L. Primicias-Agabas, entitled:

“AN ACT
PROVIDING FOR THE GOVERNANCE AND REGULATION OF LOCAL
UNIVERSITIES AND COLLEGES (LUCs), PRESCRIBING STANDARDS
FOR THEIR ESTABLISHMENT, OPERATION, AND SUPERVISION BY
LOCAL GOVERNMENT UNITS, AND FOR OTHER PURPOSES”;

House Bill No. 4597, introduced by Deputy Speaker Kristine Singson-Meehan, entitled:

“AN ACT
PRESCRIBING THE GUIDELINES FOR THE ESTABLISHMENT AND
OPERATION OF LOCAL UNIVERSITIES AND COLLEGES”;

House Bill No. 4686, introduced by Representatives Ferdinand Martin G. Romualdez, Yedda Marie K. Romualdez, Andrew Julian K. Romualdez, and Jude A. Acidre, entitled:

“AN ACT
PRESCRIBING THE GUIDELINES FOR THE ESTABLISHMENT AND
OPERATION OF LOCAL UNIVERSITIES AND COLLEGES”;

House Bill No. 4800, introduced by Representatives Jude A. Acidre and Andrew Julian K. Romualdez, entitled:

“AN ACT
PRESCRIBING THE MANDATORY GUIDELINES FOR THE
ESTABLISHMENT AND OPERATION OF LOCAL UNIVERSITIES AND
COLLEGES”;

House Bill No. 5280, introduced by Representative Jaime R. Fresnedi, entitled:

“AN ACT
PRESCRIBING THE GUIDELINES FOR THE ESTABLISHMENT AND
OPERATION OF LOCAL UNIVERSITIES AND COLLEGES”;

and House Bill No. 6659, introduced by Representatives Rufus B. Rodriguez and Maximo B. Rodriguez, Jr., entitled:

“AN ACT
PROVIDING GUIDELINES ON THE ESTABLISHMENT AND OPERATION
OF LOCAL UNIVERSITIES AND COLLEGES”

has considered the same and recommends that the attached House Bill No. 9812,
entitled:

“AN ACT
PRESCRIBING THE MANDATORY GUIDELINES FOR THE
ESTABLISHMENT, OPERATION, AND GOVERNANCE OF LOCAL
UNIVERSITIES AND COLLEGES”

be approved in substitution of House Bills Numbered 727, 1239, 1253, 1990, 4564, 4568, 4597, 4686, 4800, 5280, and 6659 and with Representatives Jude A. Acidre, Antolin A. Oreta III, Rufus B. Rodriguez, Maximo B. Rodriguez, Jr., Marcelino “Marcy” R. Teodoro, Miguel Luis R. Villafuerte, Vincenzo Renato Luigi R. Villafuerte, Tsuyoshi Anthony “Hori” G. Horibata, Terry L. Ridon, Ziaur-Rahman “Zia” Alonto Adiong, Marlyn L. Primicias-Agabas, Kristine Singson-Meehan, Ferdinand Martin G. Romualdez, Yedda Marie K. Romualdez, Andrew Julian K. Romualdez, Jaime R. Fresnedi, Roman T. Romulo, Antonio L. Tinio, Elijah Rumbaoa San Fernando, Patricia C. Calderon, Dimszar M. Sali, De Carlo L. Uy, Johanne Monich G. Bautista, Mario “Kokoy” O. Salvador, Walfredo “Arman” R. Dimaguila, Jr., Kenneth T. Gatchalian, Atty. Jennifer “Karen” A. Lagbas, Wilton “Tonton” T. Kho, Ma. Cristina Talavera Lopez, Christopherson “Coco” M. Yap, Anna York P. Bondoc, MD., Felimon M. Espares, Florabel C. Yatco, King Collantes, Joseph “Jojo” L.

Lara, Katrina Reiko Chua-Tai, Carl Nicolas C. Cari, Rebecca Maria Alcantara Ynares, Edsel A. Galeos, and Edwin L. Cruzado, M.D. as authors thereof.

Respectfully submitted,

A handwritten signature in black ink, appearing to read 'Jude A. Acidre', with a large, stylized flourish extending from the end of the signature.

JUDE A. ACIDRE

Chairperson

Committee on Higher and Technical Education

THE HONORABLE SPEAKER
HOUSE OF
REPRESENTATIVES
Quezon City

Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City

TWENTIETH CONGRESS
First Regular Session

HOUSE BILL NO. 9812

(In substitution of House Bills Numbered 727, 1239, 1253, 1990, 4564, 4568, 4597, 4686, 4800, 5280, and 6659)

Introduced by Representatives Jude A. Acidre, Antolin A. Oreta III, Rufus B. Rodriguez, Maximo B. Rodriguez, Jr., Marcelino “Marcy” R. Teodoro, Miguel Luis R. Villafuerte, Vincenzo Renato Luigi R. Villafuerte, Tsuyoshi Anthony “Hori” G. Horibata, Terry L. Ridon, Ziaur-Rahman “Zia” Alonto Adiong, Marlyn L. Primicias-Agabas, Kristine Singson-Meehan, Ferdinand Martin G. Romualdez, Yedda Marie K. Romualdez, Andrew Julian K. Romualdez, Jaime R. Fresnedi, Roman T. Romulo, Antonio L. Tinio, Elijah Rumbaoa San Fernando, Patricia C. Calderon, Dimszar M. Sali, De Carlo L. Uy, Johanne Monich G. Bautista, Mario “Kokoy” O. Salvador, Walfredo “Arman” R. Dimaguila, Jr., Kenneth T. Gatchalian, Atty. Jennifer “Karen” A. Lagbas, Wilton “Tonton” T. Kho, Ma. Cristina Talavera Lopez, Christopherson “Coco” M. Yap, Anna York P. Bondoc, M.D., Felimon M. Espares, Florabel C. Yatco, King Collantes, Joseph “Jojo” L. Lara, Katrina Reiko Chua-Tai, Carl Nicolas C. Cari, Rebecca Maria Alcantara Ynares, Edsel A. Galeos, and Edwin L. Cruzado, M.D.

AN ACT
PRESCRIBING THE MANDATORY GUIDELINES FOR THE ESTABLISHMENT, OPERATION, AND GOVERNANCE OF LOCAL UNIVERSITIES AND COLLEGES

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 “*Local Universities and*
2 *Colleges (LUCs) Governance Act.*”
3

4 **SEC. 2. Declaration of Policy.** - It is the policy of the State to establish, maintain,
5 and support a complete, adequate, and integrated system of education relevant to the
6 needs of the people and society. The State shall likewise protect and promote the right
7 of all citizens to quality education and to take appropriate steps to make education
8 accessible to all.
9

10 The State likewise recognizes the vital role of the LUCs in workforce
11 development, particularly in addressing local labor market demands, advancing
12 community development, and equipping learners with the skills and competencies
13 required for gainful employment and lifelong learning. Accordingly, local workforce

development shall form part of the core mandate of the LUCs, alongside their mission to provide quality and relevant education that would respond to the needs of the local economy and support national development.

To this end, mandatory guidelines on the establishment of local colleges and the conversion of local colleges into universities must be prescribed to achieve a standard, rationalized, and integrated system of higher education, provide the appropriate direction in their governance, and ensure the delivery of quality and relevant education.

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

- (a) *Applied bachelor's degree* refers to a generally four-year degree program that combines academic learning with a substantial proportion of practical or on-the-job experience, targeted for specific career paths instead of academic or research-focused outcomes;
- (b) *Associate degree* refers to post-secondary qualifications attained after completion of the K to 12 basic education program, normally requiring a minimum of two years of study. It equips learners with specialized skills for gainful employment in related professions, while also providing the academic preparation necessary for progression to baccalaureate programs;
- (c) *Bachelor's degree program* refers to an undergraduate university degree that requires the completion of a secondary-level education and generally involves 4 years of full-time study for most programs, consisting of general education courses and specialized subjects focused on a major degree;
- (d) *Degree program* refers to the set of academic programs and courses in a field of study leading to the conferment of an undergraduate or graduate degree;
- (e) *Diploma program* refers to a credential awarded after completing a compressed and technically-focused program, specializing in a particular trade or vocational skill, and corresponds to a Level 5 qualification of the Philippine Qualifications Framework (PQF) in accordance with Republic Act No. 10968, otherwise known as the "PQF Act";
- (f) *Doctorate degree program* refers to the highest academic degree, earned by conducting significant research and producing original work, typically in a Doctor of Philosophy or a practice-based professional doctorate;
- (g) *Higher education institutions (HEIs)* refer to institutions of higher learning which primarily offers degree-granting programs duly recognized by the Commission on Higher Education (CHED) and leading to the conferment of a diploma;

- (h) *Level II accreditation* refers to a status granted to an educational program after being granted the initial accreditation following a formal survey by the accrediting agency and duly certified by the accreditation federation or network, effective for a period of three (3) years;
- (i) *Local college or dalubhasaan* refers to a public HEI with below Level II accreditation, financially supported, operated and maintained by the local government unit (LGU), and offers undergraduate or baccalaureate and graduate academic programs leading to the conferment of a degree;
- (j) *Local government unit* refers to municipalities, cities and provinces that created or established the local university or college;
- (k) *Local higher education institution* refers to a public HEI financially supported by an LGU through an ordinance, which offers undergraduate or baccalaureate and graduate academic programs leading to the conferment of a degree;
- (l) *Local university or pamantasan* refers to a public HEI with above Level II accreditation that is financially supported, operated and maintained by an LGU and offers undergraduate or baccalaureate and graduate academic programs leading to the conferment of a degree;
- (m) *Local universities and colleges (LUCs)* refer to CHED-recognized public HEIs established by LGUs through an enabling ordinance, financially supported by the LGU concerned, and compliant with the policies, standards and guidelines of the CHED and/or Technical Education and Skills Development Authority (TESDA), in the case of LUCs offering Technical Vocational Education and Training (TVET) programs as well as ladderized programs;
- (n) *Master's degree* refers to a postgraduate academic program that provides advanced and specialized knowledge and skills beyond a bachelor's degree;
- (o) *Nondegree program* refers to a postsecondary short-term certificate course program that does not correspond to a specific PQF qualification grade, but may constitute part thereof in the case of stackable credentials;
- (p) *Ordinance* refers to the enabling act of a *Sangguniang Panglunsod*, or *Sangguniang Bayan*, or *Sangguniang Panlalawigan* creating a particular local university or college and which serves as their charters;
- (q) *Other school fees* refer to fees charged by HEIs and technical-vocational institutions which cover other necessary costs supportive of instruction, specifically the following: library fees, information technology fees, laboratory fees, school identification fees, athletic fees, admission fees, development fees, guidance fees, handbook fees, entrance fees, registration fees, medical and dental fees, cultural fees and other similar or related fees;

- 1 (r) *Philippine Qualifications Framework* — Pursuant to Section 4 of
2 Republic Act No. 10968, PQF refers to the national policy that describes
3 the levels of educational qualifications and sets standards for learning
4 outcomes across all education and training sectors in the Philippines,
5 namely basic education, TVET, higher education, and post-graduate
6 scale of completion;
- 7 (s) *Polytechnic College or Technological College* refers to a HEI that offers
8 the following:
- 9 i) At least three (3) or more programs that grant or award National
10 Certifications (NCs) Levels 4-5 in TESDA's National Competency
11 Assessment Scale, that provide pathways towards Bachelor's
12 Degree Programs offered by the same institution;
- 13 ii) Three (3) or more ladderized programs/applied bachelor's degree
14 programs; and
- 15 iii) With highly specialized or technical industry on-the-job training
16 program for all of its offered programs.
- 17 (t) *Polytechnic Institute or Technological Institute* refers to postsecondary
18 education institutions that offer the following:
- 19 i) Focused and technical industry-driven curricula;
- 20 ii) At least three (3) or more technical-vocational programs that grant or
21 award higher level qualifications/National Certifications (NCs) to
22 qualified recipients with a corresponding diploma or similar
23 credential; and
- 24 iii) Have programs with strong on-the-job training component.
- 25 (u) *Polytechnic University or Technological University* refers to a HEI that
26 offers the following:
- 27 i) All of the cited qualifications for a polytechnic or technological
28 college;
- 29 ii) Three (3) or more masteral or doctoral programs in applied fields
30 including but not limited to highly technical or technologically-
31 focused professions such as engineering or other applied sciences;
32 and
- 33 iii) An expansive and direct linkage of its degree programs to practical
34 engagements with applicable industries.
- 35 (v) *Technical-vocational institutions (TVIs)* refer to postsecondary
36 education institutions that offer short-term nondegree, diploma or
37 certificate TVET programs or courses;
- 38 (w) *Technical-vocational programs* refer to a competency-based training
39 that imparts practical skills and knowledge for specific trades or

1 occupations, aiming to equip secondary and post-secondary graduates
2 for direct employment, entrepreneurship, or further education;

3 (x) *Tertiary education* refers to formal post-secondary programs offered by
4 degree granting colleges, universities, and diploma programs offered by
5 TVIs. It shall encompass both higher education and TVET; and

6 (y) *Tuition fees* refer to fees or school charges for the subjects or course
7 enrolled in by a tertiary education student.

8
9 **SEC. 4. Coverage.** - The provisions of this Act shall apply to the following:

10
11 (a) Existing LUCs;

12
13 (b) HEIs to be established and operated by LGUs through a local ordinance;

14
15 (c) HEIs to be established and operated by LGUs that will offer nondegree
16 programs, but which intends to offer undergraduate and graduate degree programs;

17
18 (d) Existing TVIs established and operated by an LGU offering nondegree
19 programs, but which intend to offer bachelor's degrees; and

20
21 (e) Existing LUCs which have not met the minimum standards of the CHED, as
22 prescribed in its applicable and most recent issuances on Policies, Standards, and
23 Guidelines (PSGs) for HEIs.

24 **SEC. 5. Establishment and Operation of LUCs.** - A local HEI, to be known as a
25 local college, or *dalubhasaan*, or any typology assigned by the CHED in accordance
26 with changes in the Philippine higher educational system, shall be established and
27 operated by an LGU through an ordinance duly enacted for that purpose by the
28 *sanggunian* concerned: *Provided*, That prior to the enactment of the said ordinance,
29 the LGU establishing a local college shall demonstrate compliance with the guidelines
30 provided in this Act, its implementing rules and regulation and relevant CHED
31 guidelines issued hereafter, through the regional office that has jurisdiction over the
32 area where the institution is intended to be established, to ensure full compliance with
33 the mandatory requirements set forth in this Act.

34 LUCs offering associate degrees, diploma programs or nondegree programs
35 regulated by TESDA shall likewise comply with TESDA's typology, training standards,
36 and guidelines.

37 **SEC. 6. Mandatory Requirements for the Offering of LUCs' Programs.** - The
38 CHED or the TESDA shall require all LUCs to submit the following requirements for
39 review and approval:

40 (a) A feasibility study that shall include the following:

41 i) The necessity for a local HEI or the need to offer technical-vocational
42 programs, associate degrees, diploma programs, bachelor's degree

1 programs, or nondegree programs in existing or potential HEIs in the
2 area;

3 ii) Human resource requirements of the industry to determine the
4 proposed program offerings;

5 iii) Target program offerings;

6 iv) Financial capacity of the LGU to establish and sustain the operation of
7 the LUC; and

8 v) Mechanisms for generating local labor market information and
9 workforce development planning to ensure alignment of program
10 offerings with community needs and employment opportunities, in
11 consultation with the LGU, the PESO and other similar entities;

12 (b) Certification of availability of funds by the Treasurer of the concerned LGU,
13 as provided under the pertinent provisions of Republic Act No. 7160, or the
14 Local Government Code of 1991;

15 (c) A project development plan with a program of work showing that the LGU
16 allocated a school site with appropriate size and location pursuant to the
17 applicable provisions of Republic Act No. 6541, otherwise known as the
18 National Building Code of the Philippines, a blueprint of the architectural
19 design of its buildings and other physical facilities, and provisions for
20 acquisition of instructional materials and equipment that comply with the
21 CHED Memorandum Orders and TESDA's training standards and diploma
22 program guidelines pertinent to the program offered; and

23 (d) A five-year institutional development plan duly approved by the
24 *sanggunian*, which shall include the following:

25 i) Annual budgetary allocation;

26 ii) Organizational structure and composition of the Governing Board,
27 hereinafter referred to as the Board; and

28 iii) Personnel complement indicating the plantilla of positions to be hired
29 on a merit system and the procedure for hiring non-plantilla items duly
30 approved by the Civil Service Commission.

31 In all cases, a duly established educational institution by the LGU shall require
32 the imprimatur of the CHED or TESDA prior to the offering of associate, bachelor's,
33 master's or doctorate degree programs. The application shall be supported with
34 documents indicating compliance with the PSGs and Terms of Reference relative to
35 such programs.

36 **SEC. 7. Benefits and Incentives.** — All LUCs established in accordance with the
37 provisions of Sections 5 and 6 of this Act shall be eligible to avail themselves of the
38 benefits provided under Republic Act No. 10931, otherwise known as the “Universal
39 Access to Quality Tertiary Education Act”.

40 They shall likewise be eligible to apply for any grant or subsidy provided by law,
41 subject to its existing requirements and guidelines. They shall also be eligible to avail

1 themselves of support provided by the CHED and TESDA for the development of their
2 human resources through appropriate scholarships for post-graduate studies and
3 externships, continuing professional development programs, applied research with
4 industry, development of new programs including enterprise-based education and
5 training, as well as other capacity-building activities that ensure the delivery of relevant
6 and quality education.

7 All LUCs shall be listed in the registry of Philippine HEIs maintained by the
8 CHED, and, in cases of diploma and technical-vocational programs, in the registry of
9 TVIs maintained by the TESDA. Such registries will assist and facilitate the mobility of
10 students and faculty to another country for purposes of study, research, teaching, or
11 work.

12 **SEC. 8. Supervisory, Monitoring, and Visitorial Power of the CHED and**
13 **TESDA.** - All LUCs shall be subject to the monitoring, inspection, and evaluation of
14 the CHED and TESDA.

15 Pursuant to the provisions of Republic Act No. 7722, otherwise known as the
16 “Higher Education Act of 1994”, the CHED shall exercise supervisory power over
17 LUCs offering degree programs such as the following:

- 18 a. All bachelor's degree programs, including applied bachelor's degree
19 programs offered by polytechnic or technical colleges; and
- 20 b. All bachelor's, master's and doctorate degree programs, including applied
21 bachelor's degree programs offered by polytechnic or technical universities.

22 In the same manner, the TESDA, pursuant to Republic Act No. 7796, otherwise
23 known as the “TESDA Act of 1994,” shall exercise concurrent supervisory, monitoring,
24 and quality assurance powers over diploma and technical-vocational programs
25 offered by the LUCs, consistent with its mandate. These include the following:

- 26 a. Associate degrees;
- 27 b. Diploma programs offered by polytechnic institutes, colleges, or
28 universities;
- 29 c. Technical-vocational programs; and
- 30 d. Nondegree programs.

31 The CHED and TESDA shall monitor, inspect, evaluate, and provide technical
32 assistance to the LUCs within their jurisdiction. In the interest of efficiency and
33 coordination, the CHED and TESDA shall formulate joint guidelines for the recognition
34 of ladderized programs offered by the LUCs.

35 In issuing policies and standards affecting LUCs, the CHED and TESDA shall
36 ensure quality assurance by taking into account the different characteristics, peculiar
37 needs, distinct features, organizational set-up, and operation of the LUCs, among
38 other considerations: *Provided*, That the CHED and TESDA shall, at all times, devise
39 ways and practices that will ensure that the LUCs will remain committed to the delivery
40 of quality education to its students.

SEC. 9. Rationalization of the LUCs and Their Program Offerings. — The CHED and TESDA shall evaluate and rationalize all existing programs and course offerings of the LUCs, particularly those that are beneficiaries of Republic Act No. 10931.

The CHED and TESDA shall identify priority degree, diploma, and higher level TVET programs in coordination with the relevant national government agencies, to ensure alignment with the LUC's core statutory mandate, and maintain supervisory and regulatory oversight over their respective programs.

Consistent with the intentions of Republic Act No. 10647 or the “Ladderized Education Act of 2014”, and Republic Act No. 10968, LUCs must prioritize the establishment of program offerings that allow stackability of credentials, both in TVET and higher education, whether within their institution, and/or in partnership with other technical vocational and higher education institutions. This shall ensure seamless pathways for learners to pursue higher levels of skilling, education, and training. To support this effort, CHED and TESDA shall jointly initiate institutional support systems to accelerate the development of such programs in identified priority areas. CHED and TESDA shall also ensure that the number of students admitted by the LUCs do not exceed the optimal number of students that can be enrolled in each program offered and the number of students that the existing resources and capacity of the LUCs can carry, based on predetermined parameters to be determined by the CHED and TESDA.

Applications for the opening of new programs shall be evaluated to determine whether they are within the core mandate of the LUC or fall under priority fields identified by the National Government.

SEC. 10. Creation of the Local Universities and Colleges Affairs Division. - There is hereby created a Local Universities and Colleges Affairs Division (LUCD) under the Office of Institutional Quality Assurance and Governance, or its equivalent office in case of reorganization or rationalization of the CHED and TESDA, to act on all matters related to the establishment, operation, regulation, and development of LUCs, whether existing or yet to be established. The LUCD shall be composed of the existing staff complement of the CHED.

In the performance of its functions, the LUCD shall coordinate with the Association of Local Colleges and Universities (ALCU), CHED Regional Offices, the regional and provincial offices of TESDA, and other relevant offices, technical panels, and committees of the CHED for the respective degree or diploma programs offered by the respective LUCs.

The functions currently being performed by other offices and divisions of the CHED in relation to LUCs are hereby transferred to the LUCD.

The LUCD shall have the following functions:

- a) Formulate policies, standards, and guidelines governing the establishment, operation, and conversion of LUCs;
- b) Recommend and implement strategies and mechanisms for the supervision, monitoring, evaluation, and development of LUCs;

- c) Accept, evaluate, and process all applications for the establishment or conversion of LUCs, including their degree and non-degree program offerings;
- d) Conduct regular performance reviews, compliance evaluations, and visitorial activities for purposes of determining adherence to Philippine laws, rules, policies, and CHED regulations; and
- e) Perform such other duties as may be necessary to carry out the purposes of this Act.

SEC. 11. Governing Board of LUCs. — The governing board of a College or *Dalubhasaan* shall be its Board of Trustees (BOT), while the governing Board of a University or *Pamantasan* shall be its Board of Regents (BOR).

(a) Composition

The governing board of the LUC, hereinafter referred to as the Board, shall be composed of the local chief executive, as chairperson, the President of the LUC, as vice-chairperson, and with following, as members:

- a) President of the duly recognized faculty association of the LUC;
- b) President of the duly recognized student council of the LUC;
- c) President of the duly recognized alumni association of the LUC;
- d) Chairperson of the Committee on Education of the *Sangguniang Bayan*, *Panlungsod*, or *Panlalawigan*;
- e) Representative of the TESDA;
- f) Representative of the CHED;
- g) Two (2) representatives from the business sector, as members, who are of known probity and distinction in their respective professions or fields of expertise or specialization in the municipality, city, or province where the LUC is located.

The two (2) representatives shall be appointed by the local chief executive and shall serve coterminous with their term of office, unless earlier terminated.

The regular and special meetings of the BOT or BOR of the LUCs shall be specified in the ordinance creating the LUC.

(b) Term of Office

- a) The President of an LUC shall serve a full term in such capacity;
- b) The presidents of the faculty association, student council, and the alumni association shall sit in the Board and shall serve their respective terms of office in the associations co-terminously, pursuant to their respective constitutions and by-laws. Such associations shall conduct the election of its officials shortly before the end of terms of the incumbents or within one (1) month prior to the expiration of their terms, otherwise their positions in the Board shall be deemed expired;

- 1 (c) In case of a vacancy in the Board by reason of resignation, death, or the
2 incapacity of one or more of its appointed members, such vacancy shall be
3 filled by appointment by the local chief executive and the appointee shall
4 hold office for the unexpired portion of the term;
- 5 (d) The Board shall regularly convene every month. The Chairperson of the
6 Board may call a special meeting whenever necessary: *Provided*, That
7 members are notified in writing at least three (3) calendar days prior to the
8 said meeting;
- 9 (e) A majority of the members of the Board holding office at the time of its
10 regular or special meeting shall constitute a quorum;
- 11 (f) The members shall serve without compensation other than reimbursement
12 for necessary expenses incurred in their attendance to meetings of the
13 Board or in connection with their official business, as may be authorized by
14 resolutions of the Board.

15 **SEC. 12. Powers of the Board.** — The Board shall be the highest policymaking
16 body of the LUCs and shall have the following powers and functions:

- 17 (a) To promulgate policies in accordance with the declared policies on tertiary
18 education, as well as the policies, standards, and guidelines of CHED and
19 TESDA under Republic Act No. 7722 and Republic Act No. 7796 as well as
20 other pertinent laws;
- 21 (b) To promulgate rules and regulations consistent with existing laws, rules,
22 and regulations as may be necessary to carry out the purposes and
23 functions of the LUC;
- 24 (c) To receive assistance from the LGU to augment the internal sources of
25 funds, as may be provided, to carry out the purposes and functions of the
26 LUC;
- 27 (d) To fix the fees and other charges as the Board may deem proper to impose
28 after due consultations with the relevant sectors: *Provided*, That these fees
29 shall be based on the guidelines of the CHED and TESDA and not
30 prohibitive or unreasonable as to deviate from the purpose for which the
31 LUCs are created;
- 32 (e) To appoint, upon the recommendation of the President, vice presidents,
33 deans, executive directors, heads of departments, faculty, and other
34 officials and employees;
- 35 (f) To develop consortia and other academic linkages and, other forms of
36 networks with the LGUs, industries, institutions and agencies, both public
37 and private, local and foreign: *Provided*, That these comply with the
38 applicable guidelines of CHED and TESDA in furtherance of the purposes
39 and objectives of the LUCs, as well as develop academic arrangements for
40 institution capacity and capability building with appropriate institutions and
41 agencies, public and private;

- 1 (g) To determine and approve curricular programs and course offerings in
2 response to the needs and demands of the community and based on local
3 and regional development initiatives: *Provided*, That these comply with the
4 minimum CHED requirements and its PSGs, and applicable training
5 standards set by TESDA;
- 6 (h) To promulgate policies on admission, retention, and graduation of students
7 in conformity with the guidelines set by CHED and TESDA and to award
8 degrees, titles, diplomas, and certificates;
- 9 (i) To ensure the efficient management of nonacademic services, such as
10 medical and dental, guidance counseling, property maintenance;
- 11 (j) To the extent possible support applied research and extension programs
12 and establish applied research and extension centers where such will
13 promote the development of the LUCs, consistent with their typology based
14 on guidelines of CHED and TESDA;
- 15 (k) To appoint the President of the LUC upon the recommendation of the
16 search committee;
- 17 (l) To confirm the appointments of other school officials, teaching, and
18 nonteaching personnel appointed by the President of the LUC;
- 19 (m) To approve rules of discipline for the administrative and academic staff and
20 students of the college or university to ensure orderly and effective
21 governance thereof;
- 22 (n) To award honorary degrees upon persons in recognition of outstanding
23 contribution in the field of education, public service, arts, science and
24 technology or any field of specialization within the academic competence of
25 the university or college and to authorize the issuance of certificates of
26 completion of non-baccalaureate programs and nontraditional or innovative
27 courses: *Provided*, That these conform to the applicable guidelines of the
28 CHED and TESDA;
- 29 (o) To establish professorial chairs in the LUC and to provide fellowships for
30 qualified faculty and scholarships to deserving students;
- 31 (p) To appoint experts and specialists as consultants, or visiting or exchange
32 professors, scholars, researchers, as the case may be: *Provided*, That such
33 appointment conforms to the CHED and TESDA guidelines;
- 34 (q) To set up the adoption of modern and innovative modes of transmitting
35 knowledge such as the use of information technology, the dual training
36 system, and open distance learning, for the promotion of greater access to
37 education;
- 38 (r) To submit to the local chief executive or to the *Sangguniang Panlungsod*,
39 *Sangguniang Bayan* or *Sangguniang Panlalawigan* an annual detailed
40 report, setting forth the status, progress, needs, goals of the LUC; and

1 (s) To delegate any of its power and duties to the President or the other officials
2 of the LUC as it may deem appropriate so as to expedite the administration
3 of the affairs of the university or college.

4 **SEC. 13. Administration of the LUCs.** — The administration of each LUC shall
5 be vested in the President who shall render full-time service to implement policies
6 promulgated by the Board.

7 The Board shall, upon the recommendation of a duly constituted search
8 committee, appoint the President for a term of four (4) years, subject to reappointment
9 for another term only.

10 The President of the LUC must preferably at least have a Master's degree
11 relevant to the directions of the LUC, experience in industry, and at least three (3)
12 years of relevant administrative experience, without prejudice to provision of additional
13 qualifications to be set by the Board of the LUC.

14 **SEC. 14. Vacancy in the Office of the President.** - In case of a vacancy in the
15 Office of the President by reason of death, compulsory retirement, resignation,
16 removal for cause or incapacity of the president to perform the functions of the office,
17 the Board shall, within a period of thirty (30) days, designate an officer-in-charge of
18 the LUC pending the appointment of a new President.

19 The powers and duties of the President of the LUC, in addition to those specifically
20 provided in this Act, shall be similar to those usually pertaining to the Office of the
21 President of other LUCs, and those delegated by the Board.

22 **SEC. 15. Search Committee.** — In case of vacancy in the Office of the President
23 brought about by any of the causes mentioned in the preceding Section, the Board
24 shall organize and convene a Search Committee for the Presidency, which shall
25 evaluate and present to the Board the qualifications of the candidates for President of
26 the LUC.

27 The Search Committee for the Presidency shall have five (5) members to be
28 appointed by the Board from the following: CHED; TESDA; ALCU; concerned LGU;
29 and the business or industry sector.

30 It shall elect a Chairperson and Vice-Chairperson and shall ensure that the new
31 LUC President is elected not later than three (3) months from the time that the position
32 is vacant.

33 **SEC. 16. The Secretary of the LUC and the Secretary of the Board.** – There
34 shall be a Secretary of the LUC who shall be appointed by the Board as Secretary of
35 the Board upon recommendation of the University President. The Secretary of the
36 Board shall be the custodian of all official records of the LUC.

37 **SEC. 17. Fiscal Autonomy of LUCs.** — Subject to the provisions of Republic Act
38 No. 7160 and Republic Act No. 7722, the LUCs shall enjoy fiscal autonomy in the
39 administration of their approved budgets and income.

40 The LGU, depending on its current fiscal space, shall likewise enjoy autonomy
41 in determining or adjusting the salaries, emoluments, and other forms of benefit or
42 compensation for the faculty of the LUCs.

1 The final amount of the annual budget appropriated by the LGU for an LUC
2 shall not be less than the amount approved for the immediately preceding fiscal year,
3 and such appropriations shall be automatically and regularly released to the LUC on
4 a quarterly basis without need for further request, in accordance with the budget
5 approved by the LGU's *sanggunian*.

6 The LUCs shall have the authority, through their Governing Boards, to allocate,
7 disburse, and utilize funds for their operations such as the following:

- 8 a. Augmentation of items within their annual budget, consistent with their
9 institutional development plan;
- 10 b. Reallocation of funds from savings to other expenditure items as may be
11 necessary to carry out their academic and administrative functions; and
- 12 c. Generation, retention, and utilization of income from tuition fees, grants,
13 donations, endowments, and other lawful sources, subject to existing laws
14 and auditing rules.

15 All expenditures and revenues of the LUC shall remain subject to post-audit by
16 the Commission on Audit, pursuant to applicable laws, rules, and regulations.

17 To enable the LGUs to implement the provisions of this Act, the personal
18 services limitations under Sections 325(a) and 331(b) of Republic Act No. 7160 shall
19 not be applicable to the expenses appropriated for the compensation of LUCs
20 personnel.

21 **SEC. 18. Cap on Fees Charged by the LUCs.** — No LUC, through its governing
22 board, shall impose fees and other charges in an amount greater than that necessary
23 to maintain quality instruction and reasonable operation costs, as determined in
24 accordance with guidelines to be issued by the CHED and TESDA.

25 In no case shall any increase exceed the cap prescribed in consultation with
26 the LGU concerned and associations as may be applicable.

27 **SEC. 19. LGU Support.** — All LGUs establishing or operating an LUC shall
28 ensure the provision of quality tertiary education. To this end, it shall extend full
29 cooperation and assistance to the CHED and TESDA, particularly through its regional
30 offices, in the exercise of its supervisory, monitoring, and regulatory powers over
31 LUCs.

32 Such assistance shall include, but may not be limited to, the provision of
33 relevant data and documents, facilitation of CHED and TESDA inspections and
34 evaluations, and implementation of corrective measures or recommendations issued
35 by the CHED and TESDA to ensure compliance with the requirements and standards
36 prescribed under this Act and other applicable laws, rules, and regulations.

37 The LGU shall likewise allocate adequate resources to enable compliance by
38 the LUC with CHED and TESDA-prescribed standards, policies, and guidelines, to
39 ensure the LUC's institutional development, and provision of accessible and quality
40 education.

SEC. 20. Development Support for the LUCs. —The CHED and TESDA shall make available development funds and assistance to support improvements in quality and relevance for eligible LUCs. Such developmental support may include the following:

- a. Grants for faculty development and extension programs;
- b. Financial assistance for upgrading facilities, training centers, and learning resources;
- c. Access to financial assistance programs, such as scholarships or loans, and internships or externships for faculty and students;
- d. Incentives for collaboration and consortia with other HEIs, TVIs, LGUs, and industry partners;
- e. Implementation of ladderized education programs, locally responsive upskilling or reskilling programs, and innovative models for student internships; and
- f. Mechanisms for deepening engagement with the industries, the CHED and TESDA, in coordination with the Department of Budget and Management, the Department of the Interior and Local Government (DILG), and the concerned LGUs, for the issuance of the implementing guidelines for the availment of such developmental support, and in ensuring alignment with national priorities and local development needs.

SEC. 21. Elevation of a Local College to the Status of a University. — A local college, upon the recommendation of the Board to the *Sangguniang Bayan*, or *Sangguniang Panlungsod*, or *Sangguniang Panlalawigan*, may subsequently apply with the CHED for university status: *Provided*, That it has complied with the requirements of the CHED and has undergone the appropriate process of accreditation by a reliable accreditation body that subsequently found the college to be prepared for reclassification as a university: *Provided, further*, That a local college, upon conversion into a local university, shall continue to be operated by the concerned LGU in coordination with the CHED.

The proposal for classification to a university status shall be submitted to the CHED Central Office, through the CHED Regional Office, for review. Only the CHED *en banc* shall grant the “University” status upon compliance with the requirements.

No new local HEI shall be established immediately as a local university or *pamantasan*. A local HEI established by an LGU shall be known as a local college, *dalubhasaan*, or any other typology assigned by the CHED in accordance with developments in the Philippine higher educational system.

For polytechnic colleges applying to become polytechnic universities, joint guidelines shall be issued by the CHED and TESDA to govern the requirements and process.

SEC. 22. Existing LUCs. — In the interest of efficient control and supervision by the CHED pursuant to Republic Act No. 7722, all LUCs existing at the time of the effectivity of this Act shall be allowed to continue their operation, subject to compliance

1 with the requirements of this Act and the minimum standards, policies, and guidelines
2 prescribed by the CHED. Such compliance shall be achieved within a non-extendible
3 period of three (3) years. Failure to comply with the requirements of this Act shall result
4 in the phaseout of the programs being offered by the concerned LUCs.

5 **SEC. 23. Existing Local Postsecondary Educational Institutions.** — Local
6 postsecondary educational institutions offering only pre-professional training or non-
7 baccalaureate programs shall not use “College” or “University” in its name unless they
8 have complied with the requisites provided for the establishment of a college or the
9 grant of university status under the CHED rules and regulations: *Provided*, That
10 existing local post-secondary educational institutions which have been using the name
11 “college” or “university” prior to the passage of this Act shall be allowed to retain such
12 name: *Provided, further*, That said educational institutions shall be given a grace
13 period by the CHED to comply with the requirements for the status of “college” or
14 “university” or any other typology assigned by the CHED in accordance with
15 developments in the Philippine tertiary education system.

16 **SEC. 24. Penalties for Non-Compliance.** — Any person found violating any of
17 the provisions of this Act shall be subject to an administrative fine of up to Five hundred
18 thousand pesos (P500,000.00), depending on the severity of the violation, as may be
19 determined in the Implementing Rules and Regulations of this Act.

20 **SEC. 25. Implementing Rules and Regulations.** — Within ninety (90) days from
21 the effectivity of this Act, the CHED shall, in coordination with the DILG, the ALCU,
22 and other relevant stakeholders promulgate the rules and regulations to carry out the
23 provisions of this Act.

24 **SEC. 26. Exclusion Clause.** — This Act shall apply to all LUCs duly created by
25 their ordinances enacted for that purpose, except for the *Pamantasan ng Lungsod ng*
26 *Maynila* (PLM), which was created by virtue of Republic Act No. 4196, entitled “An Act
27 Authorizing the City of Manila to Establish and Operate the University of the City of
28 Manila and for Other Purposes”. However, in so far as faculty qualifications, curriculum
29 and instruction, and facilities are concerned, the PLM shall be governed by this Act.

30 **SEC. 27. Separability Clause.** — Should any provision or part of this Act be
31 declared invalid or unconstitutional, the remaining parts not affected shall remain in
32 full force and effect.

33 **SEC. 28. Repealing Clause.** — All laws, executive orders, presidential decrees,
34 administrative orders, rules and regulations, issuances, or parts thereof inconsistent
35 with or contrary to the provisions of this Act are hereby repealed or amended
36 accordingly.

37 **SEC. 29. Effectivity.** — This Act shall take effect fifteen (15) days after its
38 complete publication in the *Official Gazette* or in a newspaper of general circulation.

39
40 *Approved,*

FACT SHEET

House Bill No. 9812

(In substitution of House Bills Numbered 727, 1239, 1253, 1990, 4564, 4568, 4597, 4686, 4800, 5280, and 6659)

AN ACT

PRESCRIBING THE MANDATORY GUIDELINES FOR THE ESTABLISHMENT, OPERATION, AND GOVERNANCE OF LOCAL UNIVERSITIES AND COLLEGES

Introduced by: REPRESENTATIVES JUDE A. ACIDRE, ANTOLIN A. ORETA III, RUFUS B. RODRIGUEZ, MAXIMO B. RODRIGUEZ, JR., MARCELINO “MARCY” R. TEODORO, MIGUEL LUIS R. VILLAFUERTE, VINCENZO RENATO LUIGI R. VILLAFUERTE, TSUYOSHI ANTHONY “HORI” G. HORIBATA, TERRY L. RIDON, ZIAUR-RAHMAN “ZIA” ALONTO ADIONG, MARLYN L. PRIMICIAS-AGABAS, KRISTINE SINGSON-MEEHAN, FERDINAND MARTIN G. ROMUALDEZ, YEDDA MARIE K. ROMUALDEZ, ANDREW JULIAN K. ROMUALDEZ, JAIME R. FRESNEDI, ROMAN T. ROMULO, ANTONIO L. TINIO, ELIJAH RUMBAOA SAN FERNANDO, PATRICIA C. CALDERON, DIMSZAR M. SALI, DE CARLO L. UY, JOHANNE MONICH G. BAUTISTA, MARIO “KOKOY” O. SALVADOR, WALFREDO “ARMAN” R. DIMAGUILA, JR., KENNETH T. GATCHALIAN, ATTY. JENNIFER “KAREN” A. LAGBAS, WILTON “TONTON” T. KHO, MA. CRISTINA TALAVERA LOPEZ, CHRISTOPHERSON “COCO” M. YAP, ANNA YORK P. BONDOC, M.D., FELIMON M. ESPARES, FLORABEL C. YATCO, KING COLLANTES, JOSEPH “JOJO” L. LARA, KATRINA REIKO CHUA-TAI, CARL NICOLAS C. CARI, REBECCA MARIA ALCANTARA YNARES, EDSEL A. GALEOS, and EDWIN L. CRUZADO, M.D.

Committee Referral: COMMITTEE ON HIGHER AND TECHNICAL EDUCATION

Committee Chairperson: REP. JUDE A. ACIDRE

OBJECTIVES:

- To put in place a legal framework and institutionalize definite and uniform guidelines on the creation of local universities and colleges (LUCs) by the local government units (LGUs) to ensure the delivery of quality higher education programs and services
- To rationalize the creation of LUCs and to upgrade the standards and improve the delivery of quality and accessible higher education programs to the students
- To enhance accessibility to quality education for all and to curb the proliferation of substandard LUCs
- To strengthen the role of LUCs in workforce development, particularly in addressing local or specific labor market demands, to ensure strategic community development

KEY PROVISIONS:

- Covers all existing LUCs, as well as new local higher education institutions (HEIs) to be established by LGUs
- Prescribes the uniform guidelines to be followed by LGUs in the establishment of local colleges and conversion of these local colleges into local universities
- States that all LUCs shall be subject to the regular monitoring, inspection, and evaluation by the Commission on Higher Education (CHED) and the Technical Education and Skills Development Authority
- Creates a LUC Division in the CHED out of the existing staff complement, which shall act on all matters related to the establishment, operation, regulation, and development of LUCs, whether existing or yet to be established
- Provides that a new local HEI shall start as a college, and the grant of a university status shall be given only after compliance with all the requirements of the CHED
- Allows all LUCs existing before the enactment into law of this proposed Act to continue their operation and to comply with the requirements under this Act and the Implementing Rules and Regulations within a non-extendable period of three years to comply

RELATED LAWS:

- Republic Act No. 7160 (Local Government Code of 1991)
- Republic Act No. 7722 (Higher Education Act of 1994)
- Republic Act No. 10647 (Ladderized Education Act of 2014)
- Republic Act No. 10650 (Open Distance Learning Act)
- Republic Act No. 10687 (Unified Student Financial Assistance System for Tertiary Education or UniFAST Act)
- Republic Act No. 10931 (Universal Access to Quality Tertiary Education Act)
- Republic Act No. 10968 (Philippine Qualifications Framework Act)