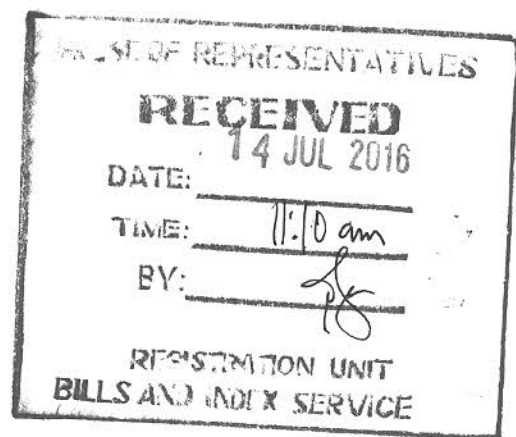


Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City

SEVENTEENTH CONGRESS
First Regular Session

HOUSE BILL NO. 1583



Introduced by Representative Alfredo D. Vargas III

EXPLANATORY NOTE

Educated people are the face of a progressive nation. A government that provides sustainable and quality education to its citizens leads the nation to a bright future. As the Philippine Constitution provides the responsibility of the government to provide quality education as its strong foundation (Art. 14)¹, we as citizens have the right to ask and receive it free so that poverty can be eliminated.

The system of free public education in the Philippines has long been in existence as established by the Malolos Constitution and the Republic Act No. 6655 for basic and secondary. However, tertiary education in State Universities and Colleges (SUCs) has never been fully subsidized² despite the yearly increase from the national budget for education. The government budget allocated for it remained the lowest among the three and so become a hindrance for some insufficient family income to enter and finish college.

Education has a high impact on income and employment. A college graduate can be compensated twice or even thrice compared to a high school graduate and this difference is a good reason to invest in tertiary education.³

This bill directs the State to increase the budget for tertiary education and provide full tuition subsidy for students enrolled in SUCs. This will pave the way to the realization of the Philippine Development Plan for providing higher and competitive education. Thus, the immediate passage of this bill is urged.


ALFREDO D. VARGAS III

¹ 1987 Philippine Constitution

² Data from CHED

³ National Center on Education and the Economy

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AN ACT
PROVIDING FOR A FULL TUITION SUBSIDY FOR STUDENTS ENROLLED IN STATE
UNIVERSITIES AND COLLEGES (SUCs), AND APPROPRIATING FUNDS THEREFOR

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

Section 1. **Short Title.** - This Act shall be known as the "Tuition-Free Higher Education Act of 2016."

Section 2. **Declaration of Policy.** - It is hereby declared that accessible and quality education is an inalienable right of the Filipino. Therefore, the State shall renew its constitutionally mandated duty to make education its top budgetary priority by providing tuition-free higher education courses in state universities and colleges.

Section 3. **Eligibility to the Full Tuition Subsidy.** - All Filipino citizens who are either currently enrolled at the time of effectivity of this Act, or shall enroll at any time thereafter, in course in pursuance of a bachelor's degree, certificate degree, or any comparable undergraduate degree in any state university or college shall be exempt from paying tuition fees: Provided, that they meet the admission requirements of the SUCs where they intend to enroll in.

Section 4. **Special Tuition Subsidy Fund.** - The Special Tuition Subsidy Fund, hereinafter referred to as the Fund, is hereby established. The Fund shall be used solely for the purpose of implementing the full tuition subsidy under the provisions of this Act. Tuition fees for units enrolled by persons eligible for the tuition benefit under the provisions of this Act, payable to state universities and colleges, shall be paid from this Fund.

Section 5. **Administration of the Fund.** - The Fund shall be administered by the Commission on Higher Education (CHED) and shall have the following powers and functions:

- (a) Manage and administer the Fund;

- (b) Devise a reporting mechanism to be implemented by the state universities and colleges which will detail the exact amount of tuition fee subsidy availed of by persons eligible for the full tuition fee subsidy availed of by persons eligible for the full tuition subsidy under this Act;
- (c) Formulate and implement an efficient and transparent mechanism to ensure the payment of tuition fees, using money from the Fund to the respective state universities and colleges, pursuant to the provisions of this Act;
- (d) Resolve and mediate disputes concerning the ineligibility or disqualification of persons from the full tuition subsidy under the provisions of this Act or any other provision of law; and
- (e) Any other powers or functions necessary for the implementation of the provisions of this Act.

Section 6. ***Tuition Report.*** – The President of each state university or college shall submit to the Commission on Higher Education (CHED), within five (5) days after the last day of late registration for each semester, a report detailing the names of persons eligible for the full tuition subsidy in their institution, as well as the amount of tuition fee due based on the number of units enrolled.

Section 7. ***Payment from the Fund.*** – The CHED shall ensure the full payment of tuition fees due to the state university or college, as reported under the next preceding section of this Act, no later than thirty (30) days after the submission of the report to the CHED: Provided, That the CHED shall reserve the right to withhold or disallow the payment of any reported fees which are perceived to be anomalous or irregular until further investigation has been conducted.

Section 8. ***Accountability Report.*** – At the end of each academic semester, the President of each state university or college shall submit to the CHED a report reconciling the funds received from the Fund. Any unused or improperly disbursed amount shall be returned immediately to the Fund.

Section 9. ***Midterm Report.*** – Starting the first school year upon the effectivity of this Act, the CHED shall conduct a mandatory review and submit a midterm report to Congress as to the status of implementation of this Act.

In this midterm report, the following key metrics of access to and quality of public tertiary education:

- (a) Enrollment rate;
- (b) Student demographics;
- (c) Graduation rate;
- (d) Gross tuition receipts;
- (e) Disqualification and ineligibility;
- (f) Teachers' welfare and training profiles;
- (g) Adequacy of funding requirements; and

- (h) Other educational quality indicators, including but not limited to physical learning infrastructure, teacher-to-student ratio, and student housing.

Section 10. **Appropriations.** - The amount necessary to carry out the implementation of this Act shall be initially charged against the fifty percent (50%) share of the National Government from the annual gross income of the Philippine Amusement and Gaming Corporation (PAGCOR). Thereafter, such amounts necessary to effectively carry out the provisions of this Act shall be included in the annual General Appropriations Act.

Section 11. **Implementing Rules and Regulations.** - Within (60) days from the effectivity of this Act, CHED shall promulgate the implementing rules and regulations necessary to ensure the efficient and effective implementation of this Act.

Section 12. **Separability Clause.** - Should any part of this Act be declared unconstitutional, the rest of the provisions of this Act shall continue to be in effect and subsisting.

Section 13. **Repealing Clause.** - The provisions of other laws, decrees, executive orders, rules and regulations inconsistent with this Act are hereby repealed, amended, or modified accordingly.

Section 14. **Effectivity.** - This Act shall take effect fifteen (15) days after its publication in the Official Gazette and/or in at least two (2) national newspapers in general circulation.

Approved,