

Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City

SEVENTEENTH CONGRESS
First Regular Session

HB No. **4298**

Introduced by Rep. Julieta R. Cortuna



EXPLANATORY NOTE

Let there be a law whereby the child or children of bonafide members of either the Government Service Insurance System or the Social Security System who plan to go to college and pursue a prospective career or program of study will be so able to pursue such aspiration.

Throughout Article XIV of the Constitution, it seems clear that education must be given highest priority under a 'system of scholarship grants, student loan programs, subsidies, and other incentives which shall make available to deserving students in both public and private schools, especially the underprivileged'.

With this in mind, it is proposed that every school, college or university – be it public or private – to institutionalize its own 'In-House Student Loan Program' so that right upon enrolment or admission, the student can avail of the loan assistance thereby saving him or her from the problem of not being able to enrol or continue college education.

As an incentive to private educational establishments as well as those government-run, it may be invoked an exemption or any kind of incentive from taxes or duties that might otherwise accrue.

An interest rate of 6%^{0.0} on such loans may be charged to those availing of this in-house educational assistance in the form of student loan to enable educational establishments to absorb the possible shock of this paradigm shift which however is still attune with an emerging practice called 'corporate social responsibility'.

The amount to be loaned by a student may vary from one school to another suffice that it shall effectively enable such student to enrol upon presentation of a loan certificate quite similar to the simple mechanics being practiced at the UP system.

Let this be an operating program in every public or private college or university, hence immediate passage of this measure is most earnestly sought.


JULIETA R. CORTUNA

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AN ACT
INSTITUTIONALIZING AN IN-HOUSE STUDENT LOAN PROGRAM IN PUBLIC
AND PRIVATE TERTIARY EDUCATION TO BENEFIT STUDENTS FROM POOR
FAMILIES AND APPROPRIATING FUNDS THEREFOR

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

SECTION 1. This Act shall be known as the 'In-House Student Loan Program Act of 2016.'

SEC. 2. Consistent with the provisions of Article XIV of the Constitution in Sections 1 to 5, there is hereby institutionalized in every public or private school, college or university an In-House Student Loan Program thereby giving easy access to quality college education to students from poor families.

SEC. 3 Under this Act, the Commission on Higher Education shall prescribe rules and regulations that will govern the administration of loan assistance to students from poor families who enrol in public or private school, college or university to secure a college education to offered courses or programs of study.

In the implementation of this In-House Student Loan Program, an interest rate for repayment is pegged at only six (6) percent payable within a period of one (1) year.

SEC. 4 For purposes of appurtenant exemption from taxes and/or duties or tax holiday, the public or private school, college, or university may invoke its own In-House Student Loan Program as a valid ground for the same.

SEC. 5 This Act shall take effect after its publication in the Official Gazette and in at two (2) newspapers of general circulation.

Approved,