

SEVENTEENTH CONGRESS OF THE REPUBLIC)
OF THE PHILIPPINES)
First Regular Session)

'17 JAN 23 P 4:38

S E N A T E

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COMMITTEE REPORT NO. 28

Submitted *jointly* by the Committees on Education, Arts and Culture *and* Finance
on JAN 23 2017

Re: Senate Bill No. 1304

Recommending its approval in substitution of Senate Bill Nos. 61, 158, 173,
177, 198, 962 and 1220

Sponsor: Senator Paolo Benigno "BAM" Aquino IV

MR. PRESIDENT:

The Committees on Education, Arts and Culture *and* Finance to which were referred, Senate Bill No. 61 introduced by Sen. Recto and Sen. Villanueva, entitled:

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

Senate Bill No. 158, introduced by Sen. Ejercito, entitled:

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

Senate Bill No. 173, introduced by Sen. Aquino IV, entitled:

AN ACT INSTITUTIONALIZING A FULL SUBSIDY PROGRAM IN STATE UNIVERSITIES FOR CHILDREN OF PUBLIC SCHOOL TEACHERS, PROVIDING FUNDS THEREOF, AND FOR OTHER PURPOSES

Senate Bill No. 177, introduced by Sen. Aquino IV, entitled:

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

Senate Bill No. 198, introduced by Sen. Gatchalian, entitled:

AN ACT PROVIDING FOR FULL TUITION SUBSIDY IN STATE UNIVERSITIES AND COLLEGES, AND APPROPRIATING FUNDS THEREFORE

Senate Bill No. 962, introduced by Sen. Pangilinan, entitled:

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

Senate Bill No. 1220, introduced by Sen. Angara and Sen. Legarda, entitled:

AN ACT PROVIDING FOR A FULL TUITION FEE SUBSIDY, INCLUDING MISCELLANEOUS EXPENSES, FOR STUDENTS ENROLLED IN STATE UNIVERSITIES AND COLLEGES (SUCS), AND APPROPRIATING FUNDS THEREOF

have considered the same and have the honor to report them back to the Senate with the recommendation that the attached bill, Senate Bill No. 1304, prepared by the Committees, *entitled*:

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

be approved in substitution of Senate Bill Nos. 61, 158, 173, 177, 198, 962, and 1220 with Senators Recto, Villanueva, Ejercito, Aquino IV, Gatchalian, Pangilinan and Angara, Legarda as authors thereof.

Respectfully Submitted:

Chairpersons:


SEN. PAOLO BENIGNO "BAM" AQUINO IV
Chairperson, Education, Arts and Culture
Vice Chairperson, Finance


SEN. LOREN B. LEGARDA
Chairperson, Committees on Finance
Member, Education, Arts and Culture

Vice-Chairpersons:


SEN. SONNY ANGARA
Vice-Chair, Education, Arts and Culture
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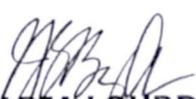

SEN. WIN GATCHALIAN
Vice-Chair, Education, Arts and
Culture
Member, Finance


SEN. JOEL VILLANUEVA
Vice-Chair, Education, Arts and Culture
Member, Finance

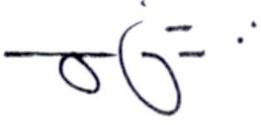

SEN. PANFILO LACSON
Vice-Chair, Finance


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Member, Education, Arts and Culture

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Education, Arts and Culture; Finance


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Education, Arts and Culture;
Finance


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Education, Arts and Culture; Finance

SEN. RICHARD J. GORDON
Education, Arts and Culture;
Finance

SEN. EMMANUEL "MANNY" D. PACQUIAO
Education, Arts and Culture

SEN. FRANCIS "CHIZ" G. ESCUDERO
Education, Arts and Culture; Finance

SEN. ANTONIO "SONNY" F. TRILLANES IV
Education, Arts and Culture; Finance

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President Pro-Tempore

HON. AQUILINO "KOKO" PIMENTEL III
Senate President

SEVENTEENTH CONGRESS OF THE REPUBLIC)
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SENATE
S.B. No. 1304

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Prepared Jointly by the Committees on Education Arts and Culture and Finance with
Senators Recto, Villanueva, Ejercito, Aquino IV, Gatchalian, Pangilinan, Angara,
Legarda as authors thereof

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

*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 the “Free Higher Education
2 for All Act.”

3 **SEC. 2. Declaration of Policy.** – It is hereby declared that accessible and quality
4 education is an inalienable right of the Filipino. Therefore, it shall be the policy of the
5 State to make higher education accessible to financially disadvantaged but deserving
6 students. Towards this end, the State shall renew its constitutionally mandated duty to
7 make education its top budgetary priority by providing free higher education for
8 students in State Universities and Colleges (SUCs).

9 **SEC. 3. Definition of Terms.** – As used un this Act, these terms shall mean:

- 10 a) *Cost of Tertiary Education* refers to (1) tuition, and Other School Fees, (2)
11 Educational Expenses, and (3) the cost of living allowance;
- 12 b) *Educational Expenses* refer to expenses related to the education of a student,
13 such as books, school supplies, and electronic devices necessary for education,
14 but excluding tuition and miscellaneous and Other School Fees;
- 15 c) *Higher Education* refers to the stage of formal education, or its equivalent,
16 requiring completion of secondary education and covering programs of study
17 leading to bachelor and advanced degrees;
- 18 d) *Higher Education Institution (HEI)* refers to an institution of higher learning,
19 primarily offering bachelor and advanced degree programs;
- 20 e) *Other School Fees* refer to those fees which cover other necessary costs
21 supportive of instruction, including, but not limited to, medical and dental,
22 athletic, library, laboratory, and miscellaneous fees;
- 23 f) *State Universities and Colleges (SUCs)* refer to public HEIs established by national
24 laws which are financed and maintained by the national government, and are
25 governed by their respective independent boards of trustees or regents;

- g) *Technical-Vocational Education and Training (TVET)* refers to the post-secondary education or training process which involves, in addition to general education, the study of technical and related fields and the acquisition of practical skills relating to occupations in various sectors, comprising formal (organized programs as part of the school systems) and nonformal (organized classes outside the school system) approaches;
- h) *Technical-Vocational Institutes (TVIs)* refer to learning institutions offering post-secondary TVET
- i) *Tertiary Education* refers to the stage of education following the secondary cycle which subsumes post-secondary nondegree diploma, TVET, and Higher Education programs; and
- j) *Tuition Fee* refers to the fee representing direct costs of instruction, training and other related activities and for the students' use of the instruction and training facilities;
- k) *Unified Student Financial Assistance System for Tertiary Education (UniFAST)* refers to the harmonized, state-run and administered system of Higher Education and technical-vocational Scholarships, Grants-in-Aid, Student Loans, and other modalities of StuFAP created by Republic Act No 10867;
- l) *Student Financial Assistance Program (StuFAP)* refers to a system of Scholarships, Grants-in-Aid, Student Loans, subsidies and other incentives which are or shall be made available to eligible students;
- m) *Grant-in-Aid* refers to a modality of financial assistance to poor but eligible students which generally requires a minimum level of competence to complete Tertiary Education;
- n) *Scholarship* refers to a modality of financial assistance given to eligible students on the basis of merit and/or talent, such as laudable academic performance, and special technical proficiencies and skills and intellectual pursuits of a Scholar that give rise to research and development, and innovations as well as other creative works;
- o) *Student Loan* refers to a modality of student financial assistance consisting of short-term or long-term loans which shall be extended to students facing liquidity problems, regardless of economic status, which shall be paid by the student, his/her parents, guardians, or co-makers;

SEC. 4. 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 courses in pursuance of a bachelor's degree, certificate degree, or any comparable undergraduate degree in any SUC shall qualify for a full tuition subsidy; *Provided*, That they meet the admission requirements of the SUC; *Provided further*, That all SUCs shall create a mechanism to enable students with the financial capacity to pay for their education in the SUC to opt out of the tuition subsidy or to make a donation to the school.

SEC. 5 . Exceptions to the Full Tuition Subsidy. – The following are ineligible to avail of the full tuition subsidy in SUCs:

- a) Persons who have already attained a bachelors degree or equivalent degree from any higher education institution, whether public or private; and

- 1 b) Persons who have been dishonorably discharged from any higher education
2 institution, whether public or private, for any reason other than financial
3 difficulty in paying tuition and other fees.

4 **SEC. 6. SUC Tuition Subsidy Fund.** – The SUC Tuition Subsidy Fund, hereinafter
5 referred to as the Fund, is hereby established. The Fund shall be used solely for the
6 purpose of implementing the full tuition subsidy under the provisions of this Act. Tuition
7 for units enrolled by persons eligible for the tuition subsidy under the provisions of this
8 Act, payable to SUCs, shall be sourced from this Fund.

9 **SEC. 7. Administration of the Fund.** – The Fund shall be administered by the
10 Commission on Higher Education (CHED), which shall have the following powers and
11 functions:

- 12 a) Manage and administer the Fund;
13 b) Devise a reporting mechanism to be implemented by the SUCs which will
14 detail the exact amount of tuition subsidy availed of by persons eligible for
15 the full tuition subsidy under this Act;
16 c) Formulate and implement an efficient and transparent mechanism to ensure
17 the payment of the tuition subsidy, utilizing money from the Fund, to the
18 respective SUCs, pursuant to this Act;
19 d) Resolve and mediate disputes concerning the ineligibility or disqualification
20 of persons from the full tuition subsidy under the provisions of this Act or any
21 other provision of this law; and
22 e) Any other powers or functions necessary for the implementation of the
23 provisions of this Act.

24 **SEC. 8. Requirements for SUCs.** – SUCs are hereby mandated to fulfill the
25 following before accessing the Fund:

- 26 a) Establish a qualifying mechanism, which shall be meritocratic and equitable.
27 This shall include but not be limited to a qualifying examination and an
28 affirmative action mechanism for financially disadvantaged students;
29 b) Determine and publish the maximum number of students the SUC can
30 accommodate per campus and degree program. For the initial
31 implementation of this Act, the maximum number of students SUCs may
32 accept shall be equivalent to the total number of students that were enrolled
33 in the school year prior to the effectivity of this Act. For subsequent years,
34 SUCs may increase their number of students subject to conditions set by and
35 upon the approval of CHED;
36 c) Submit the following documents to assist the CHED in implementing this Act:
37 i. Previous enrollment rate, student demographics and other relevant
38 information;
39 ii. Graduation rate, performance in previous licensure examinations,
40 and employability rate of graduates;
41 iii. Gross tuition receipts;
42 iv. Teachers' welfare and training profiles; and

- v. Other educational quality indicators, including but not limited to physical learning infrastructures, teacher-to-student ratio and student housing; and
 - d) Formulate and submit to CHED and oversight committees in both Houses of Congress a detailed SUC Development Plan updated every ten years, which shall include plans for facilities and infrastructure development and expansion.

8 The submissions to CHED shall be subject to the Commission's determination of
9 completeness. *Provided*, That CHED shall have the right to request for additional
10 information from the SUCs. *Provided further*, that any plans of expansion shall be
11 approved and defended before CHED and Congress during the SUCs' budget hearing.

SEC. 9. Tuition Report. – The President of each SUC shall submit to the 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 due based on the number of units enrolled.

16 **SEC. 10. *Payment from the Fund.*** – The CHED shall ensure the full payment of
17 tuition due to the state university or college, as reported under this Act, no later than
18 thirty (30) days after the submission of the report to the CHED; *Provided*, That the CHED
19 shall reserve the right to withhold or disallow the payment of any reported fees which
20 are perceived to be anomalous or irregular until further investigation has been
21 conducted.

SEC. 11. Strengthening Student Financial Assistance Programs (StuFAP). – The CHED, through UniFAST, shall strengthen all scholarships, grants-in-aid, student loans, subsidies and other incentives, to other educational expenses and cost of living allowance that will be incurred by students in pursuing higher education in SUCs. Moreover, StuFAP programs shall also be made available to cover the cost of tertiary education, fully or partially, to students who wish to pursue tertiary education in other HEIs or TVIs.

29 **SEC. 12. Appropriations.** – The amount of Fifteen Billion Pesos (P
30 15,000,000,000.00) is hereby initially appropriated from the Presidential Social Fund for
31 the SUC Tuition Subsidy Fund and to implement the provisions of this Act. Thereafter,
32 such amount necessary to effectively carry out the provisions of this Act shall be
33 included in the annual General Appropriations Act.

SEC. 13. Implementing Rules and Regulations. – Within sixty (60) days from the effectiveness of this Act, the CHED shall promulgate the implementing rules and regulations necessary for the implementation of this Act.

37 **SEC. 14. Separability Clause.** – Should any provision herein be declared
38 unconstitutional, the same shall not affect the validity of the other provisions of this Act.
39

SEC. 15. Repealing Clause. – All laws, decrees, orders, rules, and regulations or other issuances or parts inconsistent with the provisions of this Act are hereby repealed or modified accordingly.

1 **SEC. 16. Effectivity.** - This Act shall take effect fifteen (15) days after its
2 publication in the *Official Gazette* or in two (2) newspapers of general circulation in the
3 Philippines.

4 *Approved,*