EIGHTEENTH CONGRESS OF THE REPUBLIC OF THE PHILIPPINES

Third Regular Session

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SENATE

s.B. No. 2492

(In substitution of Senate Bill No. 1744, taking into consideration House Bill No. 10282)

Prepared by the Committees on Higher, Technical and Vocational Education; Ways and Means; and Finance with Senators Villanueva, Cayetano and Angara as authors thereof

AN ACT

STRENGTHENING THE COMMISSION ON HIGHER EDUCATION, REPEALING FOR THE PURPOSE REPUBLIC ACT NO. 7722, OTHERWISE KNOWN AS THE "HIGHER EDUCATION ACT OF 1994", AND FOR OTHER PURPOSE

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 "Revised Higher Education Act of 2022."

SEC. 2. Declaration of Policy. - The State shall protect, foster, and promote the right of all citizens to quality education at all levels and shall take appropriate steps to ensure that education shall be accessible to all. The State shall likewise ensure and protect academic freedom and shall promote its exercise and observance for the continuing intellectual growth, the advancement of learning and research, the development of responsible and effective leadership, the education of high-level professionals, and the enrichment of our historical and cultural heritage.

State-supported institutions of higher learning shall design their programs to support national, regional, and local development plans.

All institutions of higher learning shall exemplify, through their physical and natural surroundings, the dignity and beauty of, as well as their pride in, the intellectual and scholarly life.

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

(a) **Commission en banc** refers to the policy-making body of the Commission on Higher Education (CHED) composed of the Chairperson and Commissioners sitting as a collegial body, which shall exercise the powers and discharge the functions mandated under this Act;

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 (b) Higher education institution/s (HEI) refers to universities and colleges, whether private or public, undertaking operations of higher education program/s recognized by the CHED;

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- (c) Private HEIs refer to universities and colleges that have been duly incorporated, organized, and established in accordance with the provisions of Republic Act (R.A.) No. 11232, otherwise known as the "Revised Corporation Code of the Philippines";
- (d) **Public HEIs** refer to state and local universities and colleges established by law or ordinance that offer higher education programs recognized by the CHED.

SEC. 4. Commission on Higher Education. – The Commission on Higher Education, hereinafter referred to as the Commission or CHED, created under Republic Act No. 7722, otherwise known as the "Higher Education Act of 1994," shall continue in the exercise of its powers and functions in accordance with the provisions of this Act.

The Commission shall be independent and separate from the Department of Education (DepEd) and attached to the Office of the President for administrative purposes only. It shall exercise oversight powers and reasonable supervision over all public and private HEIs, degree-granting programs in all public and private post-secondary educational institutions, and foreign HEIs, where applicable, except those to which the law has given the status of National University, those which are under the jurisdiction of the Bangsamoro Autonomous Region in Muslim Mindanao (BARMM) as provided under Republic Act No. 11054, otherwise known as the "Organic Law for the Bangsamoro Autonomous Region in Muslim Mindanao," and those expressly removed by Congress from its jurisdiction: *Provided,* That the passage of this Act shall not diminish, reduce, or prejudice the support and funding from the national government enjoyed by all public HEIs in the BARMM prior to the passage of this Act.

All public HEIs shall remain to be governed by their own charters and existing laws.

SEC. 5. Composition of the Commission *en banc.* – The Commission *en banc* shall be composed of five (5) full-time members consisting of the Chairperson and the four (4) Commissioners, sitting as a collegial body, and who shall be appointed by the President of the Philippines.

The Chairperson and the Commissioners shall have the following qualifications:

- a) Holders of earned doctorate degrees, defined as Level 8 in the Philippine Qualifications Framework (PQF);
- b) Actively engaged in higher education for at least ten (10) years, with at least five (5) years of managerial experience;
- Must not have been candidates for any elective positions in the national or local election immediately preceding their appointment;
- d) Known to possess the highest degree of professionalism and integrity; and

e) Have distinguished themselves as authorities in their chosen fields of learning as professors, researchers, managers, administrators, professional practitioners, or other similar undertakings that can contribute to efficient and effective higher education governance.

The members of the Commission shall belong to different academic specializations.

Except as provided by law or otherwise herein provided, in no case shall the Chairperson or any or all of the Commissioners appoint representatives to act on their behalf.

SEC. 6. Term of Office. —The Chairperson and Commissioners shall serve for a term of four (4) years, without prejudice to one (1) reappointment.

They shall hold office until their successors shall have been appointed and qualified. In case a member of the Commission fails to complete a term, the successor shall be appointed by the President for a full four (4)-year term without prejudice to one (1) reappointment. In case of a re-appointee, time served in an acting or holdover capacity shall be counted as part of the new four (4)-year term.

The reappointment of the Chairperson and Commissioners shall be based on merit and track record of performance during his or her term of office.

SEC. 7. Rank and Emoluments. — The Chairperson shall have the equivalent rank of a Department Secretary and shall be a regular member of the Cabinet. The Commissioners shall have the rank of Undersecretaries. They shall be entitled to receive the corresponding compensation and other emoluments and shall be subject to the same conditions or disqualifications. Consistent with the provisions of Executive Order No. 292, otherwise known as the "Revised Administrative Code of 1987," they shall be allowed to receive honoraria and other benefits, subject to existing rules and regulations prescribed by the Commission on Audit.

SEC. 8. Duties and Responsibilities of the Chairperson. – Subject to pertinent laws and the policies and rules adopted by the Commission, the Chairperson shall:

(a) Act as the Chief Executive Officer of the Commission;

(b) Act as the Presiding Officer of the Commission en banc,

(c) Submit to the Office of the President the rules and regulations adopted by the Commission which require Presidential attention or action, including annual or other periodic reports;

(d) Direct the Executive Director, the Secretariat, and the Regional Directors in the performance or execution of the decisions and policies of the Commission en banc,

(e) Appoint focal persons and representatives of the Commission to advisory boards, councils, and similar bodies where the Commission is identified by law as an *ex officio* member; and

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(f) Subject to the approval of the Commission *en banc*, appoint advisers and create advisory bodies to advise and provide support to the office of the Chairperson and the Commission as a whole.

SEC. 9. Powers and Functions of the Commission. – The Commission shall exercise the following powers and functions:

 (a) Formulate a roadmap for Philippine higher education that sets the general direction for its development, including the formulation of educational policies and standards that ensure the accessibility and continuing improvement of tertiary education services, thereby ensuring the creation and development of locally responsive, innovative, and globally competitive graduates and lifelong learners;

(b) Engage in active coordination and dialogues with the DepEd and the Technical Education and Skills Development Authority (TESDA) with the aim of ensuring the consistency of policies, plans, and programs of each education subsector for the progressive and coherent development and improvement of the entire Philippine education system;

(c) Prepare and implement development plans, policies, priorities, and programs on higher education and research consistent with national and regional development goals and international human resource requirements to address job skills mismatch between education and industry requirements;

(d) Broaden access to quality higher education through programs and services, particularly for the disadvantaged students, such as but not limited to, indigenous peoples, poor and deserving students, and students from depressed areas, pursuant to Republic Act No. 10931 or the 'Universal Access to Quality Tertiary Education Act," and other related laws on student financial assistance;

(e) Direct the development and reform of higher education towards world-class standards, harmonization with the Association of Southeast Asian Nations (ASEAN) education plan, and international conventions and agreements;

(f) Enable the development of non-traditional higher education programs and delivery modes, including, but not limited to, flexible learning modalities, ladderized education, the Expanded Tertiary Education Equivalency and Accreditation Program, and other programs and modes of delivery as may be subsequently developed;

(g) Facilitate the development of sports and wellness programs in HEIs to produce globally competitive student-athletes, in coordination with the Philippine Sports Commission;

(h) Set the minimum standards and guidelines for programs and institutions for HEIs as recommended by panels of experts in their respective fields and subject to public hearing, and enforce the same;

Review, monitor, and evaluate the curricula and other academic programs of HEIs vis-à-vis their performances in various government licensure examinations and certifications;

- (j) Identify, support, and develop centers of excellence in program areas needed for the development of world-class scholarships, including provision for faculty academic development in HEIs, nation-building, and national development;
- (k) Accelerate the establishment of transnational higher education programs, the internationalization of higher education in the country, and the development of transnational higher education sector, consistent with Republic Act No. 11448, otherwise known as the "Transnational Higher Education Act";
- Exercise quasi-judicial powers in the pursuit of the mandate of the Commission;
 - (m) Develop and enforce a system of program compliance and impose necessary sanctions for cause provided by law and only after due process, such as imposition of fines or penalties, downgrading to permit status, non-recognition of accreditation, termination by closure or phase-out of higher education programs, or cessation of operations of HEIs which are not in compliance with the prescribed minimum policies, standards and guidelines (PSGs) set by the Commission or international conventions, whenever applicable: *Provided*, That no restraining orders or injunctions shall be issued upon Commission actions in the exercise of its quasi-judicial functions, except by the appellate courts after proper proceedings: *Provided, further*, That the welfare of students, faculty, and employees are given due consideration: *Provided, finally*, That the exercise of quasi-judicial power shall include the issuance of subpoena, summons, and initiation of contempt proceedings against recalcitrant parties under this jurisdiction;
 - (n) Upon consultation with the SUCs, coordinate with the Department of Budget and Management (DBM) the issuance of general guidelines on the use of their income;
 - (o) Set standards, policies, and guidelines for the creation of new HEIs as well as the conversion or elevation of schools to institutions of higher learning;
 - (p) Develop and implement standards and systems on reclassification, promotion, and professional development of personnel in public HEIs, in coordination with the DBM and the Civil Service Commission (CSC), and in consultation with the Philippine Association of State Universities and Colleges (PASUC), the Association of Local Colleges and Universities (ALCU), and the Coordinating Council of Private Educational Associations of the Philippines (COCOPEA), or equivalent institutions that may be formed in lieu of these organizations;
 - (q) Support HEIs in the implementation of the PQF for higher education, in coordination with the DepEd, TESDA, and other appropriate government agencies consistent with Republic Act No. 10968, otherwise known as the "PQF Act";
- (r) Set guidelines for reasonable increases in tuition and other fees in private HEIs: Provided, That the Commission, through its regional offices, shall strictly monitor their compliance with the guidelines set for this purpose;

1 Provide directions and common standards for accrediting agencies; (s) 2

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Conduct mediation, conciliation, settlement meeting, or conferences between HEIs 4 (t) and students, teachers and staff involving academic issues, consistent with the provisions of Republic Act No. 9285, or the "Alternative Dispute Resolution Act of 2004," and applicable rules and regulations; 7

Administer the Higher Education Development Fund, as described in Section 15 (u) hereunder, and based on guidelines to be set by the Commission, approve projects funded thereby which will promote the development of public and private HEIs;

Chair the governing boards of state universities and colleges, as provided by law, (v) 13 and provide recommendations to ensure that the Commission's PSGs are complied 14 with and fully implemented by them; 15

Establish a national registry for academic information and mobility, in conjunction (w) with the Philippine Qualifications Register, and other relevant mechanisms for information sharing and dissemination locally or internationally, in coordination with other concerned government agencies;

Develop criteria for allocating additional resources such as research and program (x) development grants, scholarships, and other similar programs sourced from the Higher Education Development Fund of the Commission and other sources of funds:

Authorize the periodic review of the organization, functions, mission, and structure (y) of the Commission in light of social, economic, and technological changes, and propose the necessary interventions, including appropriate legislation; and

Promulgate such rules and regulations and exercise such other powers and functions (z) as may be necessary to carry out effectively the purpose and objectives of this Act and the Commission, with a view to the effective operations and continued enhancement, growth, or development of higher education.

SEC. 10. Quasi-Judicial Powers of the Commission. - The Commission shall exercise exclusive original jurisdiction over the following:

Fraud or deceit committed in connection with the application for and grant by the (a) Commission of government permits or recognition and other incentives and qualifying procedures;

Failure to comply with conditions or obligations prescribed by the Commission as (b) minimum standards in operating academic courses and programs;

Unauthorized operation of a school or course, or any component thereof, or any (c) violation of the requirement governing advertisements or announcements of educational institutions; and

(d) Expulsion of a student, which results in the total disqualification of a student from enrolling in any HEI.

Pursuant to its quasi-judicial powers, the Commission shall have the power and authority to:

(a) Promulgate rules and regulations governing the hearing and disposition of cases before it and its regional offices;

(b) To administer oaths, summon parties to a controversy, issue subpoenas requiring the attendance and testimony of witnesses, or the production of such books, papers, contracts, records, statements of accounts, agreements, and other documents as may be material to a just determination of the matter under investigation or hearing; and

(c) To hold any person in contempt, directly or indirectly, and impose appropriate penalties therefor; and

(d) To enjoin any or all acts involving or arising from any case pending before it which, if not restrained forthwith, may cause grave or irreparable damage.

The finding of a violation committed by an HEI shall not be taken against its students, teachers, and employees who believe in good faith that the HEI acted in conformity with the standards and guidelines set by the Commission: *Provided, however*, That upon issuance by the Commission of a notice to the public regarding the HEI's noncompliance with policies and standards of the Commission, including the sanctions imposed on HEIs, the general public shall be bound thereby, and no presumption of good faith shall be enjoyed thereafter by existing or new students, faculty and employees.

SEC. 11. Secretariat and the Executive Director. - The Commission shall have a Secretariat, which shall be headed by an Executive Director. The Commission shall fix the Secretariat's staffing pattern, determine the duties, qualifications, responsibilities, and functions, as well as the compensation scheme for the positions to be created, upon the recommendation of the Executive Director and subject to the evaluation and approval of the DBM. It shall also prepare and approve its budget.

The Executive Director shall have at least five (5) years of administrative or technical experience in the areas of policies and standards development, management, public or private administration and policy, and human resource development, among others. He/she shall have the rank and emoluments of an Assistant Secretary. He/she shall be appointed by the President upon the recommendation of the Commission *en banc*.

SEC. 12. Central Office Operation. - The Commission shall have a central office, in accordance with the Revised Administrative Code of 1987 and other pertinent laws and issuances, to support the fulfillment of the powers and functions of the Commission at the national level. The office shall be headed by a qualified Director and Assistant Director, subject to the evaluation and approval by the DBM.

SEC. 13. Regional Operations. - The Regional Offices of the Commission are headed by Regional Directors with the rank and emoluments of Director IV to be appointed by the President.

The Regional Offices of the Commission shall be under the direct control and supervision

of the Chairperson and shall have the following functions:(a) Implement the programs of the Commission in the regional level, as well as in highly urbanized cities, which are under their jurisdiction;

(b) Develop and recommend programs for regional and local-level implementation within the policies set by the Commission;

(c) Facilitate the implementation of the Universal Access to Quality Tertiary Education Act, including disbursement of checks; and

(d) Perform such other duties and functions as may be deemed necessary.

The Regional Director, or his/her duly authorized representative, shall, upon invitation by the Board of Regents of a public HEI, sit as a resource person in the board meetings of the concerned public HEI in the region where the Regional Office has jurisdiction, to keep the regional director attuned and updated on the official activities and needs of the concerned public HEI.

There shall be a legal division in each Regional Office to ensure the effective discharge of its quasi-judicial powers and ensure action on legal matters within its jurisdiction, with corresponding additional staffing pattern, subject to review and approval by the DBM.

SEC. 14. Provincial Offices. - The Commission shall establish Provincial Offices to ensure the implementation of policies and programs across island groups and in remote areas. The Provincial Offices shall be headed by Provincial Directors, who shall have the rank and emoluments of a Director III. The Provincial Offices shall be under the direct control and supervision of their respective Regional Directors and shall have the following functions:

(a) Implement the policies and programs of the Commission in the province which is under their respective jurisdiction;

(b) Review and recommend programs for implementation within their localities;

(c) Provide technical assistance to local government units in the governance of EUCs and the implementation of local government-initiated programs within their localities;

(d) Provide assistance in the implementation of the Universal Access to Quality Tertiary Education Act, including disbursement of checks for HEIs which are under their respective jurisdiction; and

(e) Perform such other duties and functions as may be authorized.

SEC. 15. Higher Education Development Fund. – The Higher Education Development Fund established under the Higher Education Act of 1994, hereinafter referred to as the Fund, shall be used exclusively to strengthen higher education in all regions of the country.

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(a) The government shall continue to contribute to the Fund, as follows:

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- 1) The equivalent of forty percent (40%) annual share on the total gross collections of the travel tax;
- 2) The equivalent of thirty percent (30%) share of the annual collections from the Professional Registration Fee; and
- 3) The equivalent of one percent (1%) of the gross sales of the lotto operation of the Philippine Charity Sweepstakes Office (PCSO);
- Government financing institutions identified and requested by the Commission may (b) contribute to the Fund an amount equivalent to not less than three percent (3%) but not more than five percent (5%) of their unimpaired surplus realized during the immediately preceding year; and
- The Fund shall have a private portion to be raised from donations, gifts, and other (c) conveyances, including materials, equipment, properties, and services by gratuitous title, which shall be tax-exempt, as provided in Section 21 of this Act.
- SEC. 16. Management and Administration of the Higher Education Development Fund. - The Fund shall be administered by the Commission. For sound and judicious management of the Fund, the Bureau of Treasury under the Department of Finance shall be the portfolio manager of the Fund.
- As administrator of the Fund, the Commission shall prepare the necessary guidelines for its use, subject to the following conditions:
- No part of the seed capital of the Fund, including earnings thereof, shall be used (a) to underwrite overhead expenses for administration;
- Unless otherwise stipulated by the private donor, only earnings of private (b) contributions shall be used for administrative expenses;
- The Commission shall appoint and organize a separate Fund Office to be headed (c) by a Director and to be composed of units responsible for resource mobilization, planning and programs, monitoring and evaluation, and finance administration, among others, subject to evaluation and approval of the DBM. Since the Fund comes from contributions from the government and private sector, the Fund Office shall be independent administratively and budgetarily separate from the Commission Secretariat; and
- The Fund shall be utilized equitably according to regions to strengthen higher (d) education institutions and support priority programs. In no case shall the Fund be utilized for purposes benefitting individuals other than those earmarked for developmental purposes under the guidelines set by the Commission.
- SEC. 17. Technical Panels. The Commission shall reconstitute or organize technical panels for different disciplines and academic program areas, which shall include representatives from PASUC, COCOPEA, and ALCU, or equivalent institutions that may be formed in lieu of these organizations, as well as representatives from the industry. They

shall assist the Commission in setting standards and evaluating academic programs for regulatory and development purposes. The technical panels are composed of individuals highly recognized in their fields of expertise and who shall be tasked with the formulation of roadmaps for the development of disciplinal and degree programs, which shall be in line with the roadmap for Philippine higher education; review, revise, and update PSGs based on the policy direction set by the Commission; and serve as resource persons of the Commission in its various activities.

The technical panels shall serve as advisory or recommendatory bodies for a specific discipline or related program and whose recommendations are subject to the approval of the Commission *en banc*.

SEC. 18. Guarantee of Academic Freedom. – Nothing in this Act shall be construed as limiting the academic freedom of HEIs. In particular, no abridgment of curricular freedom of the HEIs shall be made except for:

(a) Minimum unit requirements for specific academic programs;

(b) General education distribution requirements as may be determined by the Commission; and

(c) Specific professional subjects as may be stipulated by various licensing entities.

Academic or curricular restrictions not required from public HEIs shall likewise not be imposed upon private HEIs.

Public and private HEIs must comply with the mandatory minimum institutional and program standards set by the Commission *en banc*.

SEC. 19. Guarantee of Religious Freedom. – No higher education student, faculty, or other members of the academic community shall be prohibited from exercising their right to religious freedom in the HEI or any of its campuses.

SEC. 20. Incentives for Accreditation. – The Commission shall provide incentives to public and private HEIs whose proposed programs are accredited or whose needs are for accreditation purposes.

SEC. 21. Tax Exemptions. – Any donation, contribution, bequest, endowment, and grant which may be made to the Commission shall constitute as an allowable deduction from the income of the donor for income tax purposes and shall be exempt from donor's tax, subject to such conditions as provided under the National Internal Revenue Code, as amended.

Any subsidy received by HEIs from various government assistance programs, including, but not limited to, the grants provided under the Universal Access to Quality Tertiary Education Act, shall be excluded from gross income.

SEC. 22. Authority. – The Commission shall exercise such authority as may be deemed necessary within its premises or areas of operation to effectively carry out its powers and functions and attain its objectives: *Provided*, That the Commission may seek the assistance of other government agencies for the proper implementation of this Act.

SEC. 23. Periodic Review. – The Commission shall undertake a periodic assessment of its accomplishment and review and update the roadmap of Philippine Higher Education every ten (10) years. The updated roadmap shall be submitted to Congress and the Office of the President for the formulation of new policies necessary for the continuous modernization of higher education.

SEC. 24. Appropriations. – The amount necessary for the implementation of this Act shall be charged to the current year's appropriations of the Commission on Higher Education. Thereafter, such amount necessary for the continued implementation of this Act shall be included in the annual General Appropriations Act.

SEC. 25. Transitory Provisions. – Upon the effectivity of this Act, the incumbent Chairperson and Commissioners of the Commission shall serve as the Chairperson and Commissioners, respectively, without the need of new appointments, subject to the following conditions:

(a) The incumbent Chairperson and Commissioners serving their first terms upon the passage of this Act shall be deemed reappointed to serve a full term as provided under this Act, but shall not be qualified for reappointment; and

(b) The incumbent Chairperson and Commissioners serving their second terms upon the passage of this Act shall continue to serve only the remaining duration of the term they are currently serving and shall not be eligible for reappointment.

The incumbent Executive Director shall likewise serve as such without the need for a new appointment.

All officers and personnel of the Commission shall continue to perform their duties and responsibilities and receive their corresponding salaries and benefits. The approval of this Act shall not cause any demotion in rank or diminution of salary, benefits, and other privileges of the incumbent personnel of the Commission.

SEC. 26. Separability Clause. – If any part or provision of this Act is held unconstitutional or invalid, the other provisions or parts hereof which are not affected thereby shall continue to be in full force and effect.

SEC. 27. Repealing Clause. – Republic Act No. 7722, otherwise known as the "Higher Education Act of 1994," is hereby repealed. All laws, presidential decrees, executive orders, rules and regulations, or parts thereof which are inconsistent with the provisions of this Act are hereby repealed, amended, or modified accordingly.

SEC. 28. Effectivity. - This Act shall take effect fifteen (15) days after its publication in the Official Gazette or in a newspaper of general circulation.

45 Approved,