



HOUSE OF REPRESENTATIVES

H. No. 5633

BY REPRESENTATIVES HOFER, SALCEDA, DEL MAR, ROMERO, PANGANIBAN, BATOCABE, GARBIN, LANETE, LOYOLA, UMALI, TAN (A.), BELARO, ABAYON, VARGAS, FUENTEBELLA, SANTOS-RECTO, TAMBUNTING, BARBERS, YAP (A.), GERON, LACSON, GATCHALIAN, ANTONIO, ALEJANO, ESPINO, MACAPAGAL-ARROYO, TAN (S.), VILLARIN, ROMUALDEZ, BOLILIA, SALON, LEE, LAZATIN, CORTUNA, VILLANUEVA, CASTELO, REVILLA, ELAGO, CUA, TUPAS, NOGRALES (K.A.), NOGRALES (J.J.), GO (M.), OLIVAREZ, VELASCO, HERRERA-DY, ROQUE (H.), LOBREGAT, TINIO, CASTRO (F.L.), SAMBAR, ESCUDERO, ABU, ESPINA, LEACHON, AMANTE; DIMAPORO (M.K.), YU, DUAVIT, SALO, ANTONINO, NUÑEZ-MALANYAON, TUGNA, ARCILLAS, DELOSO-MONTALLA, GARIN (R.), SUANSING (E.), ACOSTA, AMATONG, LIMKAICHONG, BRAVO (A.), NAVA, PRIMICIAS-AGABAS, SAVELLANO, PANOTES, VIOLAGO, BULUT-BEGTANG, MONTORO, DURANO, CATAMCO, COJUANGCO, SAGARBARRIA, ORTEGA (P.), DIMAPORO (A.), NOEL, MARQUEZ, YAP (M.), DY, ANDAYA, GONZALES (A.D.), RODRIGUEZ (I.), ORTEGA (V.N.), ALVAREZ (M.), BRAVO (M.V.), ESTRELLA, GASATAYA, AUMENTADO, HERNANDEZ, LOPEZ (M.L.), CO, CHIPECO, -SY-ALVARADO, CUEVA, CUARESMA, NIETO, DE VENECIA, ACHARON, BELMONTE (R.), PINEDA, AGGABAO, TEJADA, MACEDA, JAVIER, DALIPE, PLAZA, ROCAMORA, MARIÑO, BERTIZ, BERNOS, MARCOLETA, SIAO, VILLAFUERTE, LOPEZ (B.), CAMPOS, BAUTISTA-BANDIGAN, COLLANTES, SARMIENTO (E.M.), ARAGONES, MADRONA, DEL ROSARIO, MATUGAS, CRISOLOGO, MANGAOANG, BORDADO, RODRIGUEZ (M.), SUANSING (H.), FORTUN, GARIN (S.), BAGATSING, GONZALES (A.P.), CERILLES, LABADLABAD, UYBARRETA, VELASCO-CATERA, PICHAY, ZUBIRI, ACOSTA-ALBA, ROMAN, KHO, BAGUILAT, ROMUALDO, DE VERA,

CANAMA, FLORES, CORTES, CALDERON, PACQUIAO, ALMONTE, FERRIOL-PASCUAL, BILLONES, PALMA, CAYETANO, GONZAGA, ABELLANOSA, ZARATE, CASILAO, UNICO, RELAMPAGOS, BROSAS AND ONG (E.), PER COMMITTEE REPORT NO. 227

AN ACT PROMOTING UNIVERSAL ACCESS TO QUALITY TERTIARY EDUCATION BY PROVIDING FOR FREE TUITION AND OTHER SCHOOL FEES IN STATE UNIVERSITIES AND COLLEGES AND STATE-RUN TECHNICAL-VOCATIONAL INSTITUTIONS, STRENGTHENING THE UNIFIED STUDENT FINANCIAL ASSISTANCE SYSTEM FOR TERTIARY EDUCATION, AND APPROPRIATING FUNDS THEREFOR

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 “Universal
2 Access to Quality Tertiary Education Act”.

3 SEC. 2. *Declaration of Policy.* – It is hereby declared that quality
4 education is an inalienable right of all Filipinos and it is the policy of the State
5 to protect and promote the rights of all citizens to quality education at all
6 levels. Therefore, the State shall take appropriate steps to make such education
7 accessible to all.

8 Likewise, the State hereby recognizes the complementary roles of
9 public and private higher education institutions and technical-vocational
10 institutions in the educational system and the invaluable contribution that the
11 private tertiary schools have made and will make to education. For these
12 intents, the State shall:

13 (a) Provide adequate funding and such other mechanisms to increase
14 the participation rate among all socioeconomic classes in tertiary education;

15 (b) Provide all Filipinos with equal opportunity to quality tertiary
16 education in both the private and public educational institutions;

1 (c) Give priority to students who are academically able and who come
2 from poor families;

3 (d) Ensure the optimized utilization of government resources in
4 education; and

5 (e) Recognize the complementary roles of public and private
6 institutions in tertiary educational system.

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

8 (a) *Graduate courses* refer to higher education programs leading to a
9 certificate, diploma, master's or doctorate degrees, as may be authorized and
10 recognized by the Commission on Higher Education (CHED);

11 (b) *Higher education* refers to the stage of formal education, or its
12 equivalent, requiring completion of secondary education and covering
13 programs of study leading to bachelor and advanced degrees, including
14 associate degrees;

15 (c) *Higher Education Institution (HEI)* refers to an education
16 institution that offers bachelor's degree or graduate courses as may be
17 authorized and recognized by the CHED;

18 (d) *K to 12 Program* refers to the basic education program
19 implemented by the Department of Education under Republic Act No. 10533,
20 otherwise known as the "Enhanced Basic Education Act of 2013";

21 (e) *Local universities and colleges (LUCs)* refer to educational
22 institutions established by local government units offering post-secondary
23 courses which may include four (4)- to five (5)-year courses authorized by the
24 CHED;

25 (f) *Other education-related expenses* refer to expenses related to the
26 education of a student such as books, school supplies, uniforms, reproduction
27 of materials, electronic devices necessary for education and other fees such as
28 for practical teaching devices, student publication, yearbook, insurance,
29 student trust funds;

1 (g) *Other school fees* refer to miscellaneous fees charged by higher
2 education institutions and technical-vocational institutions which are collected
3 and earmarked for specified purposes pursuant to existing laws, rules and
4 regulations, except fees collected and held in trust by higher education
5 institutions which will be utilized by the students and other parties, and fees
6 intended to cover the cost of providing services to the students. Other school
7 fees and miscellaneous fees are used interchangeably in this Act;

8 (h) *Private higher education institution* refers to a higher education
9 institution authorized to operate by the CHED, not owned and controlled by
10 the government or its instrumentalities;

11 (i) *Private technical-vocational institution* refers to post-secondary
12 technical-vocational institution run by the private sector offering programs
13 registered with the Technical Education and Skills Development Authority
14 (TESDA);

15 (j) *Qualified student* refers to any student who possesses all the
16 qualifications set forth in this Act;

17 (k) *State-run technical-vocational institution* refers to
18 technical-vocational institutions operated by the TESDA;

19 (l) *State universities and colleges (SUCs)* refer to public HEIs
20 established by national laws which are financed and maintained by the
21 national government and are governed by their respective independent boards
22 of trustees or regents;

23 (m) *Student loan program for tertiary education* refers to a loan
24 program established under this Act, which shall be allocated and administered
25 by the UniFAST Board created under Republic Act No. 10687, otherwise
26 known as the "Unified Student Financial Assistance System for Tertiary
27 Education Student (UniFAST) Act" and which may be availed of by any
28 Filipino citizen belonging from the first up to eighth income deciles, as
29 determined by the Philippine Statistics Authority (PSA), taking up any

1 undergraduate degree program in private HEI or LUC recognized by the
2 CHED, and any Technical-Vocational Education and Training (TVET)
3 programs in technical-vocational institutions (TVIs) registered under the
4 TESDA;

5 (n) *Technical-Vocational Education and Training (TVET)* refers to
6 the education process designed at post-secondary and lower tertiary levels,
7 officially recognized as nondegree programs aimed at preparing technicians,
8 para-professionals and other categories of middle-level workers by providing
9 them with a broad range of general education, theoretical, scientific and
10 technological studies, and related job skills training;

11 (o) *Technical-Vocational Institutions (TVIs)* refer to learning
12 institutions offering post-secondary technical-vocational education;

13 (p) *Tertiary education* refers to the stage of education following the
14 secondary cycle which covers post-secondary nondegree diploma, TVET, and
15 higher education programs, including graduate education;

16 (q) *Tertiary education subsidy (TES)* refers to a subsidy which shall
17 be used to support qualified financially disadvantaged students belonging to
18 the first up to the fifth income decile, as determined by the PSA, in
19 shouldering costs related to pursuing tertiary education. It may cover the
20 allowance for books, supplies, transportation and miscellaneous personal
21 expenses, including a reasonable allowance for the documented rental or
22 purchase of a personal computer or laptop, as determined by the UniFAST
23 Board where the student is enrolled and an allowance for room and board costs
24 incurred by the student, as determined by the HEI where the student is
25 enrolled, among others;

26 (r) *Tuition fees* refer to fees or school charges for the subjects or
27 course enrolled in by a tertiary or higher education student as well as a student
28 pursuing a technical-vocational course, as indicated in the prospectuses of

1 SUCs and private HEIs, which may either be on a term or yearly basis, or per
2 unit/s;

3 (s) *Undergraduate courses* refer to any program leading to a degree
4 as may be authorized and recognized by the CHED; and

5 (t) *Unified Student Financial Assistance System for Tertiary*
6 *Education (UniFAST)* refers to the harmonized, state-run and administered
7 system of higher education and technical-vocational scholarships, grants-in-
8 aid, student loans, and other modalities of student financial assistance program
9 under Republic Act No. 10687.

10 SEC. 4. *Free Higher Education in State Universities and Colleges.* –

11 All Filipino citizens who are either currently enrolled at the time of the
12 effectivity of this Act, or shall enroll at any time thereafter, in courses in
13 pursuance of a bachelor's degree or any comparable undergraduate degree in
14 any SUC, shall be exempt from paying tuition and other school fees for units
15 enrolled in, unless they are disqualified under the provisions of this Act or by
16 any other provision of law: *Provided*, That they pass the entrance examination
17 and other admission and retention requirements of the SUCs where they intend
18 to enroll in: *Provided, further*, That fees collected and held in trust by HEIs
19 which will be utilized by the students and other parties, and fees intended to
20 cover the cost of providing services to the students are not included under the
21 provisions of this Act.

22 SEC. 5. *Free Technical-Vocational Education and Training in*
23 *Post-Secondary Technical-Vocational Institutions.* – All qualified students
24 currently enrolled at the time of the effectivity of this Act, or shall enroll any
25 time thereafter, in any post-secondary TVET leading to nondegree certificate
26 or diploma programs offered by any state-run TVI under the TESDA shall be
27 exempt from paying tuition and other school fees.

28 The amount required to implement the free tuition and other school fees
29 in state-run TVIs shall be determined by the governing board of the TESDA

1 based on the expected total cost of attendance, in relation to the projected
2 number of enrollees for each course. The cost of attendance in state-run TVIs
3 shall become the primary factor in computing for the annual proposed budget
4 of the TESDA and shall in turn serve as the baseline during the preparation of
5 the annual National Expenditure Program (NEP) by the Department of Budget
6 and Management (DBM).

7 The qualified student under Sections 4 and 5 of this Act shall be free
8 from payment of tuition and other school fees: *Provided*, That nothing in this
9 Act shall cause or authorize the reduction or removal of any benefit which the
10 national or local government may have granted to the students, teachers and
11 other school personnel of these SUCs and TVIs prior to the enactment of this
12 Act.

13 **SEC. 6. *Prohibited Act.*** – Upon effectivity of this Act, it shall be
14 unlawful for any person, SUC and TVI to collect tuition and other school fees
15 from qualified students. In its stead, the amount required to implement the
16 free tuition and other school fees in SUCs shall be determined by the
17 respective governing boards of SUCs based on the expected total cost of
18 attendance, in relation to the projected number of enrollees for each academic
19 year. The cost of attendance in SUCs shall become the primary factor in
20 computing for the annual proposed budget of SUCs and shall in turn serve as
21 the baseline during the preparation of the annual NEP by the DBM.

22 **SEC. 7. *Tertiary Education Subsidy for Financially Disadvantaged***
23 ***Students.*** – A tertiary education subsidy (TES) for financially disadvantaged
24 students is hereby established, the appropriate amount for which shall be
25 administered by the UniFAST Board and to be included in the budgets of the
26 CHED and the TESDA. The TES shall be used to support qualified financially
27 disadvantaged students belonging to the first up to the fifth income deciles, as
28 determined by the PSA, in shouldering costs related to pursuing tertiary
29 education. The TES may cover the following:

1 (a) An allowance for books, supplies, transportation, and
2 miscellaneous personal expenses, including a reasonable allowance for the
3 documented rental or purchase of a personal computer or laptop, and other
4 education-related expenses as determined by the UniFAST Board;

5 (b) An allowance for room and board costs incurred by the student, as
6 determined by the HEI where the student is enrolled;

7 (c) For a student with a disability, an allowance determined by the
8 HEI where the student is enrolled in for expenses related to the student's
9 disability, including special services, personal assistance, transportation,
10 equipment, and supplies that are reasonably incurred; and

11 (d) For a student in a program requiring professional license or
12 certification, the one (1)-time cost of obtaining the first professional
13 credentials or qualifications, which may include the following: application
14 fees, notarial fees, review classes fees, insurance premium fees and
15 documentation fees.

16 **SEC. 8. *Student Loan Program for Tertiary Education.*** – The Student
17 Loan Program for Tertiary Education is hereby established and shall be
18 allocated and administered by the UniFAST Board and the appropriate amount
19 shall be included in the budgets of the CHED and the TESDA. Any Filipino
20 citizen belonging to the first up to eighth income deciles, as determined by the
21 PSA, taking up any undergraduate degree program in a private HEI or LUC
22 recognized by the CHED, and any TVET program in private TVIs registered
23 under the TESDA may avail of the loan program through the UniFAST:
24 *Provided*, That the UniFAST may offer short-term or long-term loans:
25 *Provided, further*, That those who availed of the loan during their
26 undergraduate degree may still avail of another cycle of student loan for their
27 pursuit of graduate studies, including medicine and law: *Provided*,
28 *furthermore*, That they have fully paid the previously availed loan: *Provided*,
29 *finally*, That those who did not avail of the loan program during their

1 undergraduate studies may avail of it to pursue graduate studies including
2 medicine and law.

3 Repayment shall be effected by incorporating a portion of the loan
4 amount or a percentage thereof in the employee's monthly Social Security
5 System (SSS) or Government Service Insurance System (GSIS) contribution,
6 as the case may be, based on a reasonable schedule of repayment and interest
7 rates, as may be formulated by the UniFAST Board.

8 Payment of the loan amount will commence once the beneficiary
9 secures any gainful employment with compensation, remuneration or earnings
10 that reaches the Compulsory Repayment Threshold (CRT). For purposes of
11 this Act, the CRT shall be set and reviewed by the UniFAST Board, and
12 adjusted when necessary.

13 The UniFAST Board, in consultation with relevant agencies, shall
14 formulate loan-repayment guidelines for loan beneficiaries whose earnings are
15 not covered by the GSIS or the SSS programs, including those of overseas
16 Filipino workers (OFWs), emigrants, and self-employed persons and
17 professionals (SEPs).

18 *SEC. 9. Quality Standards for SUC Budgets and Student Loan*
19 *Programs.* - The CHED and the TESDA shall consider cost-norms and
20 ensure quality standards such as per capita investments and faculty-to-student
21 ratio in the review and consequent endorsement of the budget of the SUCs and
22 state-run TVIs, respectively. The detailed design of the TES and student loan
23 programs shall also be subject to similar quality indicators defined by the
24 UniFAST Board.

25 *SEC. 10. Limitations in SUCs/State-Run TVIs.* - The right of any
26 higher education student to avail of free higher education in SUCs shall be
27 limited by the admission and retention policies of SUCs. Students who have
28 completed a bachelor's degree and who will enroll or are enrolled in a course

1 leading to a second bachelor's degree are excluded from the coverage of this
2 Act.

3 The right of any technical-vocational student to avail of the free TVET
4 in state-run TVIs shall terminate if the student fails in any course enrolled in
5 during the course of the program. Students who have obtained a bachelor's
6 degree, as well as those who have received a certificate or diploma for a
7 technical-vocational course equivalent to at least National Certificate III and
8 above, are excluded from the coverage of this Act.

9 Students excluded from the coverage of this Act shall be charged the
10 tuition and other school fees, as determined by the respective boards of the
11 SUCs, and in the case of the TVIs, to be determined by the TESDA.

12 *SEC. 11. Financial Management, Reporting and Performance*
13 *Evaluation; Financial Management and Accountability.* – All public funds
14 allocated to the government Student Financial Assistance Programs (StuFAPs)
15 for Tertiary Education shall be managed according to standard government
16 accounting and auditing rules and regulations. In addition, specialized
17 processes and procedures shall be developed to enhance transparency and
18 accountability suitable to the program or project for which the fund has been
19 provided.

20 *SEC. 12. Accounting and Reporting of UniFAST StuFAP Funds.* – A
21 separate book of accounts shall be kept by each implementing agency for the
22 UniFAST StuFAP Funds. It shall follow standard government rules and
23 regulations for accounting. Implementing agencies of the StuFAP Funds,
24 however, may adopt additional measures to ensure its safety, particularly in
25 authorizing payments and processing of disbursements from the funds:
26 *Provided,* That such additional measures shall facilitate a convenient and
27 efficient means of delivering financial assistance to the beneficiaries.

28 A mid-year and annual report shall be prepared by all implementing
29 agencies. The report shall have two (2) parts: a financial statement and a

1 report of operations showing the accomplishments of the fund. These reports
2 shall be submitted to Congress and the DBM to inform and aid in decision
3 making and shall be made available to other interested parties for valid and
4 acceptable reasons. The list of beneficiaries and the amount of financial
5 assistance received shall be made available upon request.

6 *SEC. 13. Responsibility of National Government Agencies*
7 *Implementing StuFAPs.* – The agencies and instrumentalities implementing
8 StuFAPs are required to submit reports, make their selection process
9 transparent to the public, and comply with the requirements that the Board
10 may impose to ensure that these programs are in line with the national policy
11 framework on student financial assistance.

12 *SEC. 14. Performance Monitoring and Impact Assessment.* – The
13 UniFAST shall be evaluated rigorously by the Board in terms of its impact on
14 desired results and its progress towards achieving them shall be monitored
15 regularly. The Board shall clearly define those results and their target values.
16 Impact evaluation shall be measured against, among others:

17 (a) Education outcomes such as enrollment in level IV-accredited
18 HEIs, as may be stipulated in the rules and regulations to be issued to
19 implement this Act, and the number of graduates (by type of study program);

20 (b) Economic indicators such as income and employment of
21 beneficiaries after graduation; and

22 (c) Indicators for contributions to community service and public
23 good.

24 Performance and progress shall, in addition, be measured with regard
25 to: (1) number of students covered by scholarships, grants-in-aid, student
26 loans, or other modalities of StuFAP; (2) type of study program; (3) level
27 of HEI enrolled in; and (4) initial economic status. Tracer studies and survey
28 data for experimental and quasi-experimental analyses shall be undertaken to
29 produce credible impact evaluation studies, as may be determined by the

1 Board: *Provided*, That major programs of the Board are to be evaluated within
2 five (5) years from the date of its implementation.

3 SEC. 15. *Expansion of the UniFAST Board.* - The UniFAST Board
4 shall be expanded to include the following:

5 (a) President of the Philippine Association of State Universities and
6 Colleges as Member;

7 (b) President of the Coordinating Council of Private Educational
8 Associations as Member;

9 (c) President of the Government Service Insurance System (GSIS) as
10 a nonvoting Member;

11 (d) President of the Social Security System (SSS) as a nonvoting
12 Member; and

13 (e) President of the Land Bank of the Philippines as a nonvoting
14 Member.

15 SEC. 16. *Appropriations.* - The amount necessary to carry out the
16 initial implementation of this Act shall be charged against the current year's
17 appropriation of the CHED. Thereafter, the amount necessary for the
18 continued implementation of the Universal Access to Quality Tertiary
19 Education shall be included in the annual General Appropriations Act under
20 the budget of the SUCs, the CHED and the TESDA.

21 An amount equivalent to not more than three percent (3%) of the
22 program funds provided under this Act may be used as administrative cost
23 under the UniFAST.

24 SEC. 17. *Other Sources of Funds.* - The national government is
25 hereby authorized to prioritize funding this measure in negotiating and
26 utilizing long-term deeply concessional official development assistance
27 (ODA). Other sources of funds such as grants, donations, collections, and
28 other forms of assistance from local and foreign donors or other public or
29 private entities, and other private domestic and international sources may be

1 tapped and facilitated by the UniFAST Board to support the programs under
2 this Act, subject to the regular auditing guidelines and procedures: *Provided,*
3 That in case of donations from foreign sources, acceptance thereof shall be
4 subject to existing government rules and regulations.

5 SEC. 18. *Non-impairment Clause.* – Nothing in this Act shall be
6 construed as to diminish, impair, or repeal rights recognized, granted, or made
7 available to disadvantaged, marginalized, or specific sectors under existing
8 laws.

9 SEC. 19. *Penalties.* – A violation of the prohibited act under Section
10 6 of this Act shall be meted a penalty of imprisonment of not less than six (6)
11 months but not more than one (1) year or a fine of not less than twenty
12 thousand pesos (P20,000.00) but not more than one hundred thousand pesos
13 (P100,000.00), or both, at the discretion of the court. In case of a university,
14 college or any other juridical entity, the penalty shall be imposed on the
15 president, treasurer or the officer or person responsible for the violation.

16 SEC. 20. *Joint Congressional Oversight Committee on Universal*
17 *Access to Tertiary Education.* – There is hereby created a Joint Congressional
18 Oversight Committee to oversee, monitor and evaluate the implementation of
19 this Act.

20 The Oversight Committee shall be composed of five (5) members each
21 from the Senate and from the House of Representatives, and shall include the
22 following: Chairperson of the Senate Committee on Education, Arts and
23 Culture; Chairperson of the House Committee on Higher and Technical
24 Education; Chairperson of the Senate Committee on Finance; Chairperson of
25 the House Committee on Appropriations; and three (3) members each to be
26 chosen from the membership of the Senate Committee on Education, Arts and
27 Culture and the House Committee on Higher and Technical Education by the
28 Senate President and the House Speaker, respectively, with at least one (1)
29 member each from the minority in the House of Representatives and in the

1 Senate. Funding for the expenses of the Committee shall be taken from the
2 appropriations of both the Senate and the House of Representatives.

3 SEC. 21. *Transitory Provisions.* – The CHED and the TESDA,
4 through the UniFAST Board shall formulate the appropriate strategies and
5 mechanisms needed to ensure the smooth and swift implementation of the
6 provisions of this Act. For this purpose, a transition period of not less than
7 three (3) months shall provide for adjustments covering capacity-building,
8 infrastructure development planning, financial planning and the hiring and
9 proper compensation of new teaching and nonteaching personnel.

10 SEC. 22. *Implementing Rules and Regulations.* – Within ninety (90)
11 days from the effectivity of this Act, the Board, in consultation with the
12 CHED, the TESDA, and other relevant stakeholders in higher and technical
13 education, shall promulgate the implementing rules and regulations necessary
14 to ensure the efficient and effective implementation of this Act.

15 SEC. 23. *Separability Clause.* – Should any part of this Act be
16 declared unconstitutional or invalid, the other parts or provisions hereof not
17 affected thereby shall continue to be in full force and effect.

18 SEC. 24. *Repealing Clause.* – All laws, executive orders, presidential
19 decrees, implementing rules and regulations or parts thereof inconsistent with
20 the provisions of this Act are hereby repealed or modified accordingly.

21 SEC. 25. *Effectivity.* – This Act shall take effect fifteen (15) days
22 after its publication in the *Official Gazette* or in a newspaper of general
23 circulation.

Approved,