

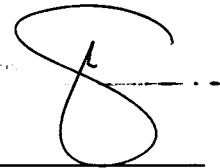
NINETEENTH CONGRESS OF THE)
REPUBLIC OF THE PHILIPPINES)
Third Regular Session)

2018
Office of the Secretary

24 SEP 18 P4:19

SENATE
S. No. 2829

PROCEEDING



Introduced by Senator Loren B. Legarda

AN ACT
STRENGTHENING THE ESTABLISHMENT AND OPERATION OF ALL PUBLIC
AND PRIVATE HIGHER EDUCATION INSTITUTIONS

EXPLANATORY NOTE

Section 4 (1), Article XIV of the 1987 Constitution provides that "The State recognizes the complementary roles of public and private institutions in the educational system and shall exercise reasonable supervision and regulation of all educational institutions."

Republic Act No. 7722, or the Higher Education Act of 1994, created the Commission on Higher Education (CHED) to protect, foster, and promote the right of all citizens to affordable quality education at all levels. It was also established to ensure and protect academic freedom, supporting the continuing intellectual growth, the advancement of learning and research, the development of responsible and effective leadership, the education of high-level and middle-level professionals, and the enrichment of our historical and cultural heritage.

Three decades since CHED's establishment, higher education in the Philippines has experienced significant strides. However, as the global landscape rapidly evolves, so must our institutions. The increasing demands for academic excellence, innovation, and competitiveness call for the reinforcement of the government's role in ensuring that all higher education institutions—public and private—are held to the highest standards.

This measure seeks to strengthen the government's supervisory and regulatory oversight of higher education institutions. It recognizes the complementary roles that the public and private sectors play in our educational system and ensures the operationalization of academic freedom as guaranteed in our Constitution across all higher education institutions (HEIs).

Moreover, this measure establishes clear criteria for the creation of HEIs and sets minimum standards for their course offerings. It mandates that the offering of degree programs must receive prior authorization from the government.

Additionally, it institutionalizes the grant of incentives for HEIs that adopt optimum standards of quality and consistently demonstrate and adhere to standards of excellence.

In view of the foregoing, the approval of this bill is earnestly sought.



LOREN LEGARDA

NINETEENTH CONGRESS OF THE
REPUBLIC OF THE PHILIPPINES
Third Regular Session

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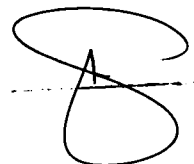
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CLERK OF THE SENATE

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AN ACT
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AND PRIVATE HIGHER EDUCATION INSTITUTIONS

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 “Strengthened Higher
2 Education Institutions Act”.

3 Sec. 2. *Declaration of Policy.* – It is hereby declared the policy of the State to
4 promote and protect the academic freedom of all institutions of higher learning,
5 thereby allowing them to set aims and objectives and decide on how best to attain
6 them. Such a decision shall be free from outside coercion or interference, save possibly
7 when the overriding public welfare calls for some restraint.

8 The State shall, in recognition of the complementary roles of public and private
9 sectors in higher education, exercise reasonable supervision and regulation of all
10 higher education institutions, both public and private, and guarantee their institutional
11 academic freedom.

12 Sec. 3. *Mandate of Reasonable Supervision and Regulation of Higher Education*
13 *Institutions.* – In conjunction with academic freedom, the Commission on Higher
14 Education (CHED) and other relevant government regulatory agencies shall exercise
15 reasonable supervision and regulation of all higher education institutions (HEIs). This
16 includes imposing reasonable requirements, setting conditions, prescribing
17 restrictions, and ensuring compliance. In this regard, the CHED shall be vested with

1 ample authority to set the mandatory minimum institutional and course requirements
2 for all HEIs.

3 *Sec. 4. External Governance of HEIs.* – The external governance of HEIs and
4 programs in both public and private sectors, except for the University of the Philippines
5 System and the Mindanao State University System, shall be under the oversight
6 function of the CHED: Provided, That the internal governance of all HEIs shall be left
7 to their respective governing boards and administrative officers.

8 *Sec. 5. Institutional Academic Freedom; Extent.* – Academic freedom, in the
9 concept of freedom of intellectual inquiry, is basic to intellectual growth and
10 development. It provides a conducive atmosphere for speculation, experimentation,
11 and creation where the four essential freedoms of the HEIs prevail: the right to
12 determine for itself on academic grounds (a) who may teach; (b) what may be taught;
13 (c) how it shall be taught; and (d) who may be admitted to study.

14 In pursuit of academic excellence, HEIs are clothed with a wider sphere of
15 discretion and de facto control over the following:

- 16 (a) Admission, retention, and examination of students;
- 17 (b) Curricula for courses of study;
- 18 (c) Appointment and tenure of school personnel; and
- 19 (d) Allocation of income among the different categories of expenditure.

20 *Sec. 6. Establishment and Conversion of HEIs.* – All HEIs shall be established
21 and converted in accordance with law.

22 All state colleges shall be established, including their conversion into state
23 universities, in accordance with their respective charters and other pertinent laws
24 passed by Congress.

25 All local colleges shall be established, including their conversion into local
26 universities, through the issuance of a local ordinance in accordance with Republic Act
27 No. 7160, otherwise known as the "Local Government Code of 1991", and other
28 pertinent laws.

29 All private HEIs shall be established in accordance with the provisions of
30 Republic Act No. 11232, otherwise known as the "Revised Corporation Code of the
31 Philippines".

1 *Sec. 7. Recognition and Offering of Programs of HEIs.* – The offering of
2 undergraduate, graduate, and post-graduate degree programs of all public and private
3 HEIs shall be subject to mandatory prior authorization of the government, which
4 consists of two phases: permit and recognition.

5 *Sec. 8. Requirements for Course Offerings.* – Consistent with the academic
6 freedom of HEIs, the minimum requirements set by the CHED for the grant of permit
7 and recognition shall be consistent with the outcomes-based approach in designing
8 the appropriate curriculum of courses and programs to fit their desired outcomes for
9 graduates with due regard to high-quality standards in higher education.

10 Minimum curricular and institutional requirements for courses and programs
11 shall be developed by the CHED with significant participation from industry
12 associations, chambers of commerce, professional organizations, and experts from the
13 academe. For public HEIs, representatives from the National Economic and
14 Development Authority and the Department of Budget and Management shall be
15 included.

16 *Sec. 9. Recognition of Courses in State Universities and Colleges and Local*
17 *Universities and Colleges.* – In the grant of recognition of programs of public HEIs
18 such as state universities and colleges (SUCs), local universities and colleges (LUCs)
19 and other CHED-supervised public HEIs, the State shall adhere to the principle of
20 competitive neutrality to avoid dominance or monopoly of the State in higher
21 education.

22 Thus, in recognition of the complementary roles of the public and private
23 sectors under an integrated Philippine Higher Education System, and to ensure
24 efficient and optimum use of government funds, the following shall be taken into
25 account in the grant of recognition of academic courses and programs in public HEIs:

- 26 (a) Number and proximity of existing public and private HEIs in the
27 locality and the region;
28 (b) Course and programs currently being offered by HEIs; and
29 (c) The need to promote undersubscribed courses in existing HEIs
30 necessary for national, local or regional economic development.

31 The appropriate rules and regulations governing the grant of permit and
32 recognition shall be prescribed and enforced by the CHED.

1 The said rules and regulations shall:

- 2 (a) Define who are qualified to apply;
- 3 (b) Provide for a permit and recognition system; and
- 4 (c) State the conditions for the grant of permit and recognition and for
- 5 its revocation, cancellation and withdrawal.

6 Sec. 10. *Closure of Program.* – The closure of any course or degree program
7 offered by HEIs shall comply with the procedures prescribed by the CHED. The closure
8 may be voluntary, involuntary, outright, or done through a phase-out process effected
9 at the end of an academic year: Provided, That the CHED shall be informed of the
10 planned closure: Provided, further, That no first-year student shall be accepted to the
11 program to be closed: Provided, further, That second year to fourth-year students
12 shall be allowed to shift to another course or program within the HEI: Provided, finally,
13 That the CHED shall assist the affected students who wish to transfer to another HEI
14 yet enroll in and complete the requirements of the same course or program.

15 Sec. 11. *Internationalization of Standards.* – The CHED shall ensure that no
16 unnecessary administrative barriers shall hinder the internationalization of programs
17 in Philippine higher education through the admission of qualified foreign students,
18 subject to the Constitutional limitation of not more than 30 percent of the total student
19 population in an institution. The CHED may adjust, streamline, and enhance course
20 standards and requirements for recognition of certain academic programs to ensure
21 alignment with international standards and in accordance with Republic Act No. 11448,
22 otherwise known as the “Transnational Higher Education Act”.

23 Higher education and training institutions are likewise encouraged to offer
24 courses and degrees globally.

25 Sec. 12. *Incentives for High Standards of Quality.* – To encourage all HEIs to
26 pursue high standards of quality over and above the government’s mandatory
27 requirements for recognition, the CHED shall develop a system for incentives and
28 wider autonomy for HEIs that consistently demonstrate and adhere to standards of
29 excellence duly affirmed and validated by voluntary accrediting bodies and
30 organizations.

31 Sec. 13. *Centers of Excellence and Centers of Development, and Autonomous*
32 *and Deregulated HEIs.* – The incentive system of the CHED shall include recognition

1 of Centers of Excellence and Centers of Development, and autonomous and
2 deregulated HEIs, focusing on highly innovative academic courses and programs
3 through high standards of instruction and research, based on respective types of HEIs.

4 The CHED shall provide the appropriate issuances for the selection criteria,
5 benefits and responsibilities, and conditions for the grant of centers of excellence and
6 development, and autonomous and deregulated status of all HEIs.

7 Sec. 14. *Exemption of Government Subsidies from Taxes on Income.* –
8 Government funding e taxes and other similar impositions on income. assistance or
9 support received by private HEIs for institutional and educational programs, student
10 subsidies and faculty development shall be exempt from national and local income.

11 Sec. 15. *Implementing Rules and Regulations.* – Within ninety (90) days from
12 the effectivity of this Act, the CHED shall, in coordination with the Philippine
13 Association of State Universities and Colleges, Coordinating Council of Private
14 Educational Associations, Association of Local Colleges and Universities, and other
15 relevant higher education stakeholders promulgate the necessary rules and
16 regulations for the full and effective implementation of this Act.

17 Sec. 16. *Transitory Provision.* – All duly-established LUCs offering degree
18 programs not otherwise permitted or recognized by the CHED shall be given five (5)
19 years from the effectivity of this Act to secure proper permit and recognition from the
20 CHED to offer said programs: Provided, That any accreditation or certificate issued by
21 the CHED prior to this Act for purposes of participating in the programs under Republic
22 Act No. 10931, otherwise known as the "Universal Access to Quality Tertiary Education
23 Act", shall not be considered as permit or recognition for purposes of this Act:
24 Provided, further, That the CHED shall update its existing policies relative to the grant
25 of autonomous and deregulated status to HEIs to expand its coverage to public
26 colleges and universities and ensure alignment with the principles of this Act: Provided,
27 finally, That the CHED shall conduct a thorough review and recalibration of all its
28 existing and relevant administrative issuances to ensure that these are aligned with
29 the principles introduced in this Act within a period of six (6) months from the
30 effectivity of this Act and submit a report to Congress on the first year of its
31 implementation.

1 Sec. 17. *Separability Clause.* – If any provision or part of this Act is held
2 unconstitutional or invalid, the other provisions or parts hereof which are not affected
3 shall continue to be in full force and effect.

4 Sec. 18. *Repealing Clause.* – All laws, decrees, letters of instruction, resolutions,
5 orders, or parts thereof which are inconsistent with the provisions of this Act are
6 hereby repealed, modified, or amended accordingly.

7 Sec. 19. *Effectivity.* – This Act shall take effect fifteen (15) days after its
8 publication in the Official Gazette or in a newspaper of general circulation.

 Approved,