

Republic of the Philippines  
**HOUSE OF REPRESENTATIVES**  
Quezon City

**EIGHTEENTH CONGRESS**  
Second Regular Session

HOUSE BILL NO. 9494



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Introduced by **KABATAAN PARTY-LIST Representative Sarah Jane I. Elago,**  
**ACT TEACHERS PARTY-LIST Representative France L. Castro,**  
**BAYAN MUNA PARTY-LIST Representatives Carlos Isagani T. Zarate,**  
**Ferdinand Gaité and Eufemia C. Cullamat,**  
**and GABRIELA WOMEN'S PARTY Representative Arlene D. Brosas**

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**AN ACT**  
**PROVIDING FINANCIAL ASSISTANCE TO SUBSIDIZE EDUCATION COSTS AND**  
**PROVIDING OTHER FORMS OF RELIEF DURING TIMES OF NATIONAL**  
**EMERGENCIES AND CRISES, AND APPROPRIATING FUNDS THEREFOR**

**EXPLANATORY NOTE**

Article XIV, Section I of the 1987 Constitution states that the State shall protect and promote the right of all citizens to quality education at all levels. This is further concretized in Section 2, subparagraph (3) of the same Article, which states that it shall establish and maintain a system of scholarship grants, student loan programs, subsidies, and other incentives which shall be available to deserving students in both public and private schools, especially to the underprivileged.

While significant strides have been made in the Filipino youth's pursuit to realize this constitutionally-enshrined right—the passage of RA 10931 (Universal Access to Quality Tertiary Education Act), RA 10929 (Free Public Wifi Law), RA 11036 (Mental Health Law), among others—there are still numerous battles to be won. However, the education sector has faced another major setback: the COVID-19 pandemic and its consequent historic economic crisis.

The COVID-19 pandemic has unmasked the already weak economic fundamentals, poor job generation strategy, and fragile healthcare and social protection systems that have been in place for so long as part of the neoliberal orientation of the Philippine economy. Contrary to the Duterte administration's claim of strong economic fundamentals, the

Philippine economy has long been tethered to artificial and external economic growth drivers such as overseas remittances that continue to act as a façade for the chronic decay of the quality of life of millions of Filipinos.

According to independent think tanks, major sectors have continued to contract year-on-year: agriculture (-1.2% growth), construction (-24.2%), and wholesale and retail trade (-3.9%). The jobs crisis is also reflected in household final consumption expenditure which registered -4.8% growth, despite hyped employment gains.

The country's gross domestic product (GDP) declined by -4.2% in the first quarter of 2021, thus posing the herculean task of attaining an impossible average of 10.8% growth in the last three quarters to hit 7% for 2021.

Up to now, social safety nets such as the government's Social Amelioration Program (SAP) remain remiss in meeting their target beneficiaries despite having been in and out of various modes of community quarantines. From the insufficient Php 8,000.00 *ayuda* in 2020, it has even further dwindled down to a paltry sum of Php 1,000.00, a far cry from realistically alleviating the economic crisis being felt by Filipinos. With the reduction of financial capacity of poor Filipinos across the nation, families have to pinch pennies as regards educational expenses which thus threatens the full realization of the Filipino youth's right to education.

The high dropout rates and surge in mental health concerns among students while government agencies are implementing distance learning modes are reaching alarming levels. Students are experiencing difficulties as to how they can continue to fund their education because their parents are unemployed, underemployed, or receiving meager wages. While the country is in an economic crisis, public funds must be used primarily for basic social services, including education.

In this bill, it seeks to institutionalize an emergency student aid and relief system during times of national emergency or crisis to assist Filipino students and youth in their expenses related to alternative modes of learning, including tuition, other school fees, gadgets and internet connectivity, among others.

For immediate relief under the COVID-19 pandemic, this bill contains a one-time cash subsidy of ten thousand pesos (Php10,000) for each student as well as those who dropped out during the pandemic.

The authors, along with Student Aid Network, and broad sectors of society call on Congress to enact this law and others that will allocate sufficient budget for cash subsidies

to Filipino students. It also calls on President Rodrigo Duterte to certify as urgent those bills in line with this objective.


Thus, the passage of this bill is earnestly sought.



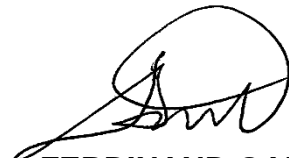
**Rep. SARAH JANE I. ELAGO**  
*Kabataan Party-list*



**Rep. CARLOS ISAGANI T. ZARATE**  
*Bayan Muna Party-list*



**Rep. FRANCE L. CASTRO**  
*ACT Teachers Party-list*



**Rep. FERDINAND GAITE**  
*Bayan Muna Party-list*



**Rep. ARLENE D. BROSAS**  
*Gabriela Women's Party*



**Rep. EUFEMIA C. CULLAMAT**  
*Bayan Muna Party-lis*

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*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 “Emergency Student Aid and Relief Law”.

**SECTION 2. Declaration of Principles and State Policies.** – It is hereby the declared policy of the State that education at all levels is a fundamental right of every Filipino, and that the State shall establish and maintain a system of scholarship grants, student loan programs, subsidies, and other incentives which shall be available to deserving students in both public and private schools, especially to the underprivileged.

In order to achieve this, the State shall:

- (1) Ease the financial burden of educational costs during national emergencies or crisis across all levels of education;
- (2) Financially assist students in public and private educational institutions, especially those struck by economic hardship during national emergencies and crises, by defraying a certain portion of such cost; and

- (3) Allocate sufficient funding to subsidize additional costs incurred by the student during the alternative learning setup during said national emergency or crisis.

**SECTION 3. Definition of Terms.** – The following terms, as defined accordingly, shall be used in this Act:

- (1) *Gadget subsidy.* – refers to the disbursement of public funds to aid students in their procurement or purchase of electronic gadgets necessary for their attendance and/or participation in the online classroom setup;
- (2) *Learning institution.* - refers to institutions providing educational services to its enrollees, including those in basic, secondary, and/or tertiary education;
- (3) *Online and modular learning expenses.* – refers to expenses incurred relevant to the utilization of the digital learning setup, which may include, but are not limited to, prepaid load, internet connection rental, transportation expenses for submission of modules and other requirements, printing expenses for the production of learning modules and other written projects;
- (4) *Other education-related expenses.* – refers to expenses incurred by the student in his/her compliance with the educational requirements necessary to finish the term, which may include, but are not limited to books, school supplies, materials for alternative-learning projects or activities, reproduction of other learning materials, yearbook;
- (5) *Recipient.* – refers to anyone currently enrolled as a student in any learning institution duly accredited by the Department of Education (DepEd) and/or Commission on Higher Education (CHED), as well as those who dropped out of their programs attributable to the national crisis or emergency;
- (6) *Tuition.* – refers to the fee representing the direct costs of instruction, training and other related activities, the students' use of the instruction and training facilities, and fees that cover costs supportive of instruction, including but not limited to medical and dental, athletic, development and construction, library, and laboratory fees.

**SECTION 4. Implementation of the Student Aid Program.** – The Student Aid shall be effective upon declaration by the national government of a national emergency or any declaration to that effect, and that recipients shall receive said student aid in cash form, upon compliance with minimal requirements as may be imposed by the Department of Social Welfare and Development, in coordination with the Department of Education and/or the Commission on Higher Education: *Provided,* that local government units in any level may declare local state of emergencies or crisis and be authorized to realign their respective local funds, including unutilized or unreleased subsidies and transfers to fund

the provision of the emergency aid and relief contemplated in this Act: *Provided further*, that nothing in this Act shall cause or authorize the reduction or removal of any benefit which the national or local government, or any other private entity, may have granted to the students or to their families prior to the enactment of this Act:

**SECTION 5. Student Aid.** – To subsidize education costs during the period of emergency or crisis, the student aid as provided in this Act shall be disbursed to its recipients in the following matrix:

- (1) Financial assistance for tuition, other education-related expenses, and/or gadget subsidy of at least One thousand pesos (Php 1,000.00) per month; and
- (2) Subsidy for online and modular learning expenses of at least One Thousand pesos (Php 1,000.00) per month, also to be given in a singular tranche.

All recipients will receive the subsidy of within 15 days after declaration of emergency or crisis: *Provided*, that in the event that the funding appropriated under this Section is not fully utilized by reason of those voluntary opt-outs, the remaining balance, shall be appropriated towards increasing the financial assistance mentioned in Section 5, subparagraph (1) of this Act.

**SECTION 6. Moratorium on Tuition and Other School Fee Increases.** – To further mitigate the impact of the emergency or crisis to students and their families, a moratorium on tuition and increases in other school fees (TOSF), as defined by Sec. 3(h) of Republic Act 10931, shall be in place for the term during the occurrence of the emergency or crisis: *Provided*, That the Department of Education, Commission on Higher Education, and/or Technical Skills Development Authority shall review its policy guidelines governing adjustment, refund and transparency in the collection of TOSF following changes in learning modalities under a public health emergency, with the objective of studying the feasibility of reduction during the period of emergency or crisis, and coming up with guidelines to that effect.

**SECTION 7. Waiver of student loans incurred during the emergency or crisis.**  
– For those students in tertiary education, whether in public or private educational institutions, who have incurred student loans through the Unified Financial Assistance System (UniFAST) or any government lending institution for educational expenses during the period of emergency or crisis, their loans are deemed waived.

**SECTION 8. Waiver of interest on unpaid balances incurred during the emergency or crisis.** – The collection of interest arising from unpaid balances in private

educational institutions across all levels incurred during the period of the emergency or crisis are hereby suspended: *Provided*, That non-payment was due to loss of financial capacity to pay because of unemployment or some other valid justification as may be qualified by the crisis management agency.

**SECTION 9. Opt-Out Provision.** Any student, without need of any valid or justifiable reason, may voluntarily opt not to receive any or all of the student aid grants described in Sec. 5 subparagraphs (1) and (2), Sec. 6, 7, and 8.

**SECTION 10. Student Aid and Relief during the COVID-19 pandemic.** To subsidize education costs during the period of the COVID-19 pandemic, the student aid as provided in this Act shall be disbursed to its recipients in the following manner:

- (1) Financial assistance for tuition, other education-related expenses, and/or gadget subsidy of One thousand pesos (Php 1,000.00) for five months, for a total of Five thousand pesos (Php 5,000.00), to be given in a singular tranche; and
- (2) Subsidy for online and modular learning expenses of One Thousand pesos (Php 1,000.00) for five months, for a total of Five thousand pesos (Php 5,000.00), also to be given in a singular tranche.

All recipients will receive a one-time cash subsidy of Ten thousand pesos (Php 10,000.00) within 15 days after the promulgation of the Implementing Rules and Regulations of this Act: *Provided*, that any student, without need of any valid or justifiable reason, may voluntarily opt not to receive any or all of the student aid grants in this Section and Secs. 6, 7, and 8: *Provided further*, that in the event that the funding appropriated under this Section is not fully utilized by reason of those voluntary opt-outs, the remaining balance, shall be appropriated towards increasing the financial assistance mentioned in Section 5, subparagraph (1) of this Act.

The sum of **Two hundred and Seventy one Billion pesos (Php 271,000,000,000.00)** is hereby appropriated to the Development of Social Welfare and Development for the implementation of this Section.

This section shall lose its operative force upon full utilization of the funds appropriated therefor.

**SECTION 11. Prohibited Acts.** – Upon effectivity of this Act, it shall be unlawful for any person and/or any learning institution to:

- (a) Impose additional rates on the tuition and/or other school fees being charged to its students;
- (b) Deprive any qualified recipient of the student aid being given, without sufficient basis and due process; and
- (c) Unlawfully appropriate said funding for purposes other than those specified in this Act: *Provided*, That the criminal offense arising from the violation of this Section does not preclude the criminal offenses that may be charged under the Revised Penal Code and other special laws.

**SECTION 12. Penalties.** – A violation of the prohibited act under Section 7 of this Act shall be meted a penalty of imprisonment of not less than six (6) months but not more than one (1) year or a fine of not less than Twenty thousand pesos (Php 20,000.00) but not more than One hundred thousand pesos (Php 100,000.00), or both, at the discretion of the court. In case of a university, college or any other judicial entity, the penalty shall be imposed on the president, treasurer or the officer or person responsible for the violation.

**SECTION 13. Sources of Funding.**

- (a) For the implementation of Section 10 of this Act, the herein subsidy and stimulus measures shall be funded from the following:
  - (i) 2021 General Appropriations Act (GAA): *Provided*, That funds for the herein authorized programs, activities and projects (P/A/Ps) shall be sourced primarily from the unprogrammed funds and savings realized from modified, realigned, or reprogrammed allocations for operational expense of any government agency or instrumentality under the Executive Department, including, but not limited to, traveling expenses, supplies and materials, expenses, professional services, infrastructure projects, general services, advertising expenses, printing and publication expenses, and other maintenance and operating expenses in the 2021 GAA: *Provided*, That such discontinued P/A/Ps do not support the objectives of economic stimulus and recovery for having low labor intensity or low multiplier effects: *Provided, further*, That infrastructure, having the highest multiplier effect can only be discontinued when all other funds, including unobligated allotments and unreleased appropriations, have been exhausted.



Notwithstanding the provisions of this Act, the discontinued P/A/Ps may be revived at any time after the COVID-19 pandemic has ceased, and notwithstanding the provisions of Republic Act No. 11518 or the “General Appropriations Act of 2021”, may be revived and proposed for funding within the next two (2) fiscal years.

- (ii) Savings pooled pursuant to Republic Act No. 11469, otherwise known as the “*Bayanihan* to Heal as One Act” and Republic Act No. 11494, otherwise known as “*Bayanihan* to Recover as One Act”;
- (iii) Excess revenue collections in any one of the identified tax or non-tax revenue sources from its corresponding revenue collection target, as provided in the FY 2021 Budget of Expenditures and Sources of Financing (BESF);
- (iv) New revenue collections or those arising from new tax or non-tax sources which are not part of nor included in the original sources included in the FY 2021 BESF;
- (v) Any unutilized or unreleased balance in special purpose funds (SPFs), including, but not limited to, funds appropriated towards the Barangay Development Program, shall be considered to have their purpose abandoned during the state of national emergency as declared by the President. All such unspent, unutilized, or unreleased money or funds sourced from SPFs shall be utilized and are hereby appropriated for such measures to address the COVID-19 situation and to accomplish the declared national policy herein;
- (vi) Cash, funds, and investments held by any GOCC or any National Government Agency: Notwithstanding any law to the contrary, the President is hereby authorized to allocate cash, funds, investments, including unutilized or unreleased subsidies and transfers, held by any GOCC or any National Government Agency in order to address the COVID-19 Pandemic; and
- (vii) Unused appropriation for debt servicing: Notwithstanding any law to the contrary, the President may direct the discontinuance of unutilized automatic appropriations for debt service and available appropriation for redemption of maturing government securities and use the savings generated therefrom to augment the allocation for any item necessary for the purposes identified in this Act. All

amounts so reprogrammed, reallocated, or realigned shall be deemed automatically appropriate for the said purposes: *Provided*, That for interest payments, the savings will be generated from the unused appropriations after actual payment of interest per month as reported by the Bureau of Treasury to the DBM: *Provided further*, That for principal repayment the savings will be generated from the funds freed up as a result of a debt exchange by the Bureau of Treasury.

- (b) For succeeding implementation of this Act, the amounts necessary to carry out the provisions of this Act shall be included in the annual General Appropriations Act (GAA) and shall be appropriated under SUCs, CHED and TESDA in accordance with the provisions of this Act.

**SECTION 14. *Implementing Rules and Regulations.*** – Upon enactment of this Act, there shall be an inter-agency task force charged with the promulgation of the Implementing Rules and Regulations (IRR) needed for the implementation of this Act. This task force shall be led by the Secretary of Department of Social Welfare and Development with the following members: (1) the Department of Education; (2) the Commission on Higher Education; (3) the Department of Budget and Management; (4) National Youth Commission; (5) a representative from the Philippine Association of State Universities and Colleges; (6) a representative from the Coordinating Council of Private Educational Associations; (7) a representative from the Association of Local Colleges and Universities; and (8) representatives from the National Youth and Student Organizations and Formations: *Provided*, That the committee shall finish and promulgate the IRR within thirty (30) days after effectivity of this Act.

**SECTION 15. *Reporting to Congress.*** – The implementing agencies shall submit, in either printed form or by way of electronic document, to the Joint Congressional Oversight Committee, the House Committee on Appropriations, the Senate Committee on Finance and the Commission on Audit, the monthly reports regarding the implementation of this Act. The quarterly reports shall likewise be uploaded on the official website of the respective implementing agencies.

**SECTION 16. *Separability clause.*** – If, for any reason or reasons, any part or provision of this Act shall be declared as unconstitutional or invalid, the other parts or provisions hereof which are not affected thereby shall continue to be in full force and effect.

**SECTION 17. Repealing clause.** – All provisions of existing laws, orders, rules and regulations or parts thereof which are in conflict or inconsistent with the provisions of this Act are hereby repealed, amended, or modified accordingly.

**SECTION 18. Effectivity clause.** – This Act shall take effect immediately upon its publication in the Official Gazette or in at least two (2) newspapers of general circulation in the Philippines.