



Thirteenth Congress
First Regular Session

HOUSE BILL NO. 3098

Introduced by Honorable Arthur “Dodo” Y. Pingoy, Jr., M.D.

EXPLANATORY NOTE

This bill seeks to extend the effectivity of Republic Act (RA) No. 9161, otherwise known as the Rental Reform Act of 2002, and regulate the increase of rental fees of certain residential units.

Since the enactment of Batas Pambansa Blg. 877 entitled “An Act Providing For the Stabilization and Regulation of Rentals of Certain Residential Units and for Other Purposes,” there have been a number of laws that fixed the maximum increase of rental fees of residential units at 10% during a prescribed period of time. From 1985, it was extended to January 1, 1988 by virtue of the Rent Control Law, and was further extended to three years for the period of January 1990 to December 1992 through RA 6828 and again for another five years from 1993 to 1997 through RA 7644.

In 2001, a law was passed instituting reforms in the regulation of rental fees of certain residential units by providing that monthly rental fees of residential units shall not be increased annually by the lessor by more than ten percent (10%) until December 2004.

With the nation lurching from one crisis to the next, further increase of rental fees would exacerbate the plight of the Filipino poor.

The country faces a spate of problems such as rising costs of electricity, goods and services, unemployment rate increase, capital flight and huge budget deficits. These directly affect the people, especially those belonging to the lower-income level. With the existing average of six thousand pesos (P6,000.00) monthly rental of residential units, each family must have an income of at least twenty thousand pesos (P20,000.00) to cope with the high cost of today's basic human needs.

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


ARTHUR "DODO" Y. PINGOY, JR., M.D.

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**AN ACT
EXTENDING THE EFFECTIVITY OF THE RENT CONTROL LAW
FOR CERTAIN RESIDENTIAL UNITS FOR ANOTHER FIVE
YEARS, AMENDING FOR THE PURPOSE THE “RENTAL
REFORM ACT OF 2002.”**

*Be it enacted by the Senate and House of Representatives of the Philippines
in Congress assembled:*

SECTION 1. The effectivity of Republic Act No. 9161 entitled:
“Rental Reform Act of 2002,” is hereby extended for five (5) years from
January 1, 2005 to December 31, 2009.

SEC. 2. This Act shall take effect on January 1, 2005 following its
publication in at least two (2) national newspapers of general circulation.

Approved,