

Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City

17th Congress
First Regular Session

House Bill No. **4828**



Introduced by REP. MICHAEL L. ROMERO and ENRICO A. PINEDA

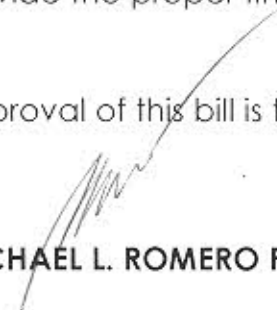
EXPLANATORY NOTE

There is an urgent need for more Funds to support the present and future Community Mortgage Program (CMP) operations and other Social Housing Finance Corporation (SHFC) programs. Given the above CMP targets and SHFC corporate developments, the Five hundred million (P500,000,000.00) annual allocation of the government may not be enough to cover their current and future operations.

For CMP alone, a total of 264 project application worth One billion and Nine hundred million pesos (P1,900,000,000.00) have been received by SHFC as of May 2008. In fact, an analysis of CMP pipeline data would reveal that a total of P1.7 billion is needed this year to service CMP project funding requirements: P660 million for 138 projects approved to be taken out; P319 million for 121 projects waiting for final payments; and P978 million for 145 projects which are already in the advance stage of processing.

This House Bill seeks to ensure that the community association (CAs) complies to the submission of requirements, eliminate disputes among members of the CAs, provide sufficient SHFC human resource complement for the program and, provide the proper financial assistance.

Approval of this bill is therefore sought.



MICHAEL L. ROMERO Ph.D



ENRICO A. PINEDA

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AN ACT

TO PROVIDE A SEPARATE BUDGET-SUBSIDY TO THE **LOCALIZED
COMMUNITY MORTGAGE PROGRAM (LCMP)**, TO EMPOWER LOCAL
GOVERNMENT HOUSING PROGRAMS, AND FOR OTHER PURPOSES

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

SECTION 1. DECLARATION OF POLICY – the state shall hereby provide sufficient SHFC human resource complement for its programs, provide the adequate amount in terms of financial assistance for the associations of the underprivileged.

The state shall hereby undertake social housing programs that will cater to the formal and informal sectors in the low-income bracket.

The state shall hereby take charge of developing and administering social housing programs, particularly the Community Mortgage Program (CMP).

The state shall hereby provide amortization support program, development program and financing program.

SECTION 2. IMPLEMENTING RULES AND REGULATIONS - The LCMP was approved by the SHFC Board of Directors on 27 July 2007 as a derivative of the CMP that would assist and empower the local government unit (LGU) in achieving their housing programs for the informal sector in their respective areas.

Under the LCMP, a qualified partner-LGU may apply for an omnibus commitment line: maximum of Fifty million pesos **(P50,000,000.00)** made available by SHFC to accommodate priority social housing projects identified by the partner-LGU. The partner LGU shall be required to put up Twenty five percent **(25%)**, minimum, of the total project cost as counterpart contribution for the project. The counterpart maybe in the form of real estate property owned by the LGU, site development or cash financing.

SECTION 3. APPROPRIATION – The State shall hereby provide a separate authorize capitalization of Two billion pesos **(P2,000,000,000.00)** to evolve and implement a comprehensive national program to meet the housing and related needs of marginal families in the country.

The state shall hereby authorized the Social Housing Finance Corporation (SHFC) to re-align its appropriations, in the current year of the date of the effectivity of this Act to conform with its mandate and requirements.

The amount necessary to carry out the purposes of this Act shall be included in the annual budget of implementing agencies in the General Appropriations Act (GAA) of the year following its enactment into law and every year thereafter.

SECTION 4. ANNUAL REPORTS - The SHFC-NHMFC shall hereby submit periodic reports on its findings and make recommendations on actions to be taken by Congress and Senate and the appropriate department.

SECTION 5. AUTOMATIC REVIEW - Every year after the effectivity of this Act, an independent review panel composed of experts to be appointed by the President shall review the policies and programs in the SHFC-NHMFC and shall make recommendations, based on its findings, to the President and to both Houses of Congress.

SECTION 6. SEPARABILITY CLAUSE - If any provision or section of this Act or the application thereof to any person or circumstances is held invalid, the other provisions or sections of this Act shall remain valid, and the application of such remaining provisions or sections to the other persons or circumstances, shall not be affected thereby.

SECTION 7. REPEALING CLAUSE - All provisions and any other provisions inconsistent with the provision of this Act are hereby amended accordingly.

SECTION 8. EFFECTIVITY - This Act shall take effect fifteen (15) days from the date of its publication in the Official Gazette or in at least two (2) newspapers of general circulation.

Approved.