

Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City



NINETEENTH CONGRESS
First Regular Session

HOUSE BILL NO. 2879

Introduced by **Representative Wilbert T. Lee**

**AN ACT ESTABLISHING A RENTAL SUBSIDY PROGRAM FOR INFORMAL
SETTLER FAMILIES, APPROPRIATING FUNDS THEREFOR, AND FOR
OTHER PURPOSES**

EXPLANATORY NOTE

Article XIII, Section 9 of the 1987 Constitution provides that “[t]he State shall, by law, and for the common good, undertake, in cooperation with the private sector, a continuing program of urban land reform and housing which will make available at affordable cost, decent housing and basic services to underprivileged and homeless citizens in urban centers and resettlement areas. It shall also promote adequate employment opportunities to such citizens. In the implementation of such program the State shall respect the rights of small property owners.”

Our country’s housing program has always struggled to keep up with the challenges of building infrastructures and communities that would allow the beneficiaries to live full and productive lives. Consequently, the economic challenges as a result COVID-19 pandemic has put a spotlight on this predicament – bringing to light the fundamental role housing plays in people’s lives, and the life and death implications when they cannot afford the rent.¹ The need to uphold and protect their right to housing cannot be any more pronounced than today. Housing in these troubled times after all, “has become the frontline defense against the coronavirus.”²

This is especially challenging in cases where families had to be displaced urgently without desirable or acceptable relocation sites for beneficiaries. In many instances, displaced families refuse relocation sites because the sites are not yet ready due to lack of access to sources of livelihood, reliable transportation, and even basic government services.

¹ Bailey, P. (27 July 2020). *Pandemic Relief Must Include Comprehensive Housing Assistance for People Experiencing the Most Severe Hardship*. Retrieved last September 18, 2020, from <https://www.cbpp.org/research/housing/pandemic-relief-must-include-comprehensive-housing-assistance-for-people>

² United Nations. (08 April 2020). *COVID-19 Guidance Note*. Retrieved last September 18, 2020 from: https://www.ohchr.org/Documents/Issues/Housing/SR_housing_COVID-19_guidance_rent_and_mortgage_payers.pdf.

This bill seeks to establish a program which allows the government to enter into a rent subsidy program for qualified families. This program will give the beneficiaries the option of receiving rent subsidy for a limited period of time in lieu of relocation. This would allow the families to stay in areas near to their source of livelihood at the time of displacement.

This also creates a multi-agency effort that looks into various aspects relating to housing and human settlements to ensure that the programs are effective and least disruptive as possible to the beneficiaries.

In doing so, this representation believes that we are not only helping the families meet their housing needs, but we are giving them the best opportunity to become contributing members of the community themselves. This is an investment in the Filipino family.

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

A handwritten signature in black ink, consisting of a vertical line with a horizontal stroke intersecting it, and a small loop at the end of the horizontal stroke.

HON. WILBERT T. LEE
Representative
AGRI PARTYLIST

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*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 “Rental Housing Subsidy
2 Act of 2022”.

3 **SEC. 2. *Declaration of Policy.*** – It is hereby declared the policy of the State to:

- 4 a) Promote a just, equitable, and inclusive urban development through programs
5 providing adequate social services, broader housing options, livelihood and
6 employment, and an improved quality of life for the Filipino people, especially the
7 underprivileged;
8 b) Provide an innovative housing program that makes available affordable, livable,
9 and decent housing, as well as access to basic social services, especially for the
10 underprivileged;
11 c) Protect the urban poor from the impact of immediate dislocation due to eviction and
12 demolition arising from government projects and disasters; and
13 d) Provide interim housing for dislocated families due to natural and man-made
14 disasters and calamities.

15 **SEC. 3. *Definition of Terms.*** - As used in this Act:

- 16 a) Dislocation – refers to the state of being displaced from one place to another
17 due to causes such as eviction and demolition.
18 b) Informal Settler Beneficiaries (ISBs) – refers to individuals or households
19 living in their own house or renting a dwelling unit:
20 i. Without consent of the lot owner;
21 ii. In danger areas as defined under Republic Act No. 7279, otherwise
22 known as the “Urban Development and Housing Act of 1992”;

- 1 iii. In government-owned lands to be used for government infrastructure
2 projects;
3 iv. In protected forest areas except for indigenous people;
4 v. In areas of priority development as declared under Proclamation No.
5 1967, Series of 1980, if applicable; or
6 vi. In other government public lands or facilities not intended for human
7 habitation.
8 c) Lessee – refer to the person renting a residential unit.
9 d) Owner/Lessor – refers to the owner, administrator, or agent of the owner of the
10 residential unit.
11 e) Rent – refers to the amount paid for the use or occupancy of a residential unit
12 whether payment is made on a monthly or other basis.
13 f) Rental Housing Subsidy – refers to partial financial assistance provided by the
14 government to eligible program beneficiaries to rent accommodation in the
15 private rental market. The amount shall not exceed the rates as regulated under
16 Republic Act No. 9653, otherwise known as the "Rent Control Act of 2009".

17 **SEC. 4. Rental Housing Subsidy Program.** There is hereby established the Rental
18 Housing Subsidy Program, hereinafter referred to as the "Program," to provide social
19 protection and support to ISBs in accessing the formal housing market. It shall be made an
20 option to address the temporary relocation of displaced families due to natural and man-made
21 disasters.

22 Eligible ISBs shall receive a flat rental subsidy rate of Three thousand five hundred
23 pesos (PhP3,500.00) for those living in Metro Manila, and a rental subsidy rate to be jointly
24 determined by the Department of Human Settlements and Urban Development (DHSUD) and
25 the National Economic and Development Authority (NEDA) for those living in all other
26 regions, taking into consideration the prevailing minimum wage and rental rates per region,
27 but not to exceed Three thousand five hundred pesos (PhP3,500.00): Provided, That the rental
28 subsidy shall not exceed the actual rent: Provided, further, That at any time, but not more than
29 once every two (2) years, such subsidy may be reviewed or revised jointly by the DHSUD and
30 NEDA to conform with prevailing economic conditions.

31 Rental subsidy shall be granted to eligible beneficiaries until the date of completion of
32 the permanent housing project intended for them or upon their actual transfer to the permanent
33 housing project, whichever comes first: Provided, That, in case of delay in the completion of
34 the permanent housing project, the rental subsidy shall be extended: Provided, further, That the
35 agency implementing the permanent housing project shall bear the cost of the extended rental
36 subsidy.

37 **SEC. 5. Eligibility.** To be an eligible beneficiary under this Act, an individual or
38 household must:

- 39 a) Live under any of the conditions under Sec. 3, paragraph b, of this Act;
40 b) Have a source of livelihood or have at least one (1) member of the household
41 gainfully employed: Provided, That the daily cumulative income of said family will
42 amount to the prevailing minimum wage in the region; and
43 c) Vacate the informal settlement area in which they are presently living and transfer
44 or relocate to a safer, decent, and formal settlement and sign a maximum five (5) -
45 year contract with the government.

46 **SEC. 6. Conditions for Continued Entitlement or Eligibility.** All eligible beneficiaries
47 shall comply with the following conditions to continuously avail of the benefits under this Act:

- a) The beneficiaries shall not move or relocate back to the area in which they were originally living unless such move or relocation has been permitted by the proper government authorities, taking into consideration the purpose of the Program; and
- b) The beneficiaries shall pay to the lessor that portion of the rental fee not covered by the subsidy.
- c) Beneficiaries who maintain good payment standing shall be prioritized as beneficiaries in government housing programs.

SEC. 7. Form of Payment. The rental subsidy shall be distributed by the DHSUD in such form it may determine to be most beneficial and appropriate for the beneficiaries.

SEC. 8. Roles of Government Agencies. The various national government agencies and instrumentalities involved in the Program shall perform specific responsibilities.

a) The DHSUD shall:

- a) Coordinate with housing agencies to formulate Program targets and integrate these to the national housing policy;
- b) Promulgate appropriate housing policies among the attached corporations of DHSUD and other concerned implementing agencies as necessary in line with the implementation of this Program;
- c) Maintain a national database of validated ISBs, their socio-economic profile, and their respective lessors as well as the link to publicly accessible registry of lessors, and the location and basic description of the rental housing unit;
- d) Enlist beneficiaries and their lessors for the Program;
- e) Disburse the rental subsidy to the lessors of the ISBs through a dedicated bank account in a government bank;
- f) Formulate guidelines on the minimum design of a safe, decent, and adequate rental housing unit that considers public health goals;
- g) Set up a monitoring and evaluation system, tools, grievance and redress system, exit strategy, and methodologies on compliance with conditions, implementation, output, and impact assessments together with its attached agencies, the Department of Social Welfare and Development (DSWD), the Presidential Commission for the Urban Poor (PGUP), the Technical Education and Skills Development Authority (TESDA), and the Local Government Units (LGUs); and
- h) Recommend to Congress measures for the proper and responsive implementation of this Act.

b) The National Housing Authority (NHA) shall:

- a) Coordinate with infrastructure program implementing agencies, including the Department of Public Works and Highways (DPWH) and the Department of Transportation (DOTr), regarding the identification of areas suitable for housing projects and the persons who need immediate resettlement;
- b) Conduct census and tagging of affected ISBs for immediate resettlement;
- c) Certify and submit to DHSUD the list of eligible ISBs living in government-owned land to be used for government infrastructure project and in areas for priority development as declared under Proclamation No. 1967, s. 1980, if applicable, in coordination with DOTr, DPWH, and LGUs; and

- 1 d) Provide a national database of resettlement housing units ready for
2 occupancy by intended ISBs of the program.
3
- 4 c) The LGUs shall:
- 5 a) Assist the NHA in conducting census and tagging of ISBs in need of
6 immediate resettlement;
7 b) Assist the DSWD and PGUP in conducting social preparation activities;
8 c) Contain the vacated areas of ISBs to help achieve the objectives of this
9 Program;
10 d) Assist the DSWD in conducting field validation of beneficiaries and their
11 respective lessors for the rental housing units.
12 e) Conduct an inventory of rental housing units that are compliant with the
13 minimum design and standard facilities set by the DHSUD in consultation
14 with other concerned agencies;
15 f) Assist in monitoring and evaluation of the Program, especially the
16 continued occupancy of rental housing units by ISBs;
17 g) Maintain a database of ISBs as defined in this Act and registered lessors in
18 their area of jurisdiction that can be linked to DHSUD's national database
19 and shared with other concerned government implementing agencies of the
20 Program; and
21 h) Maintain a publicly accessible registry of rental housing units with basic
22 description, which are compliant with minimum design and standard
23 facilities in their respective area of jurisdiction.
24
- 25 d) The DSWD shall:
- 26 a) Validate the list of eligible ISBs provided by DHSUD against the
27 "Listahanan" or the National Household Targeting System for Poverty
28 Reduction (NHTS-PR);
29 b) With the assistance of LGUs, conduct field validation of ISBs and their
30 respective lessors for the rental housing units;
31 c) Submit the list of validated ISBs to DHSUD for funding;
32 d) Jointly undertake with the PGUP and the Department of the Interior and
33 Local Government (DILG) the design of the social preparation; and
34 e) Jointly undertake with the PGUP and LGUs the conduct of the social
35 preparation.
36
- 37 e) The PGUP shall:
- 38 a) Jointly undertake, with the DSWD and the DILG, the design of the social
39 preparation; and
40 b) Jointly undertake, with the DSWD and LGUs, the conduct of social
41 preparation.
42
- 43 f) The TESDA shall provide skills training to at least one (1) household member of
44 the beneficiaries. It shall ensure that the skills trainings provided to beneficiaries
45 are in line with the environment of the relocation site.
46
- 47 g) The Home Development Mutual Fund (HDMF) shall enroll in its system at least
48 one (1) household member of the applicant-beneficiaries of the Program to
49 facilitate their entry into the formal housing market.

1 Provided, that a national program steering committee, and regional, provincial, city,
2 and municipal technical working groups (TWGs) composed of the DHSUD, NHA, LGUs,
3 DSWD, TESDA, PGUP, and HDMF shall be constituted to define the line of coordination and
4 to ensure seamless program coordination.

5 Provided, further, That DHSUD shall closely collaborate with the NHA, DSWD, DILG,
6 and Department of Budget and Management (DBM) in the development of a program design
7 and funding mechanism.

8 **SEC. 9. *Additional Positions and Personnel for the DHSUD.*** For purposes of this Act,
9 the DHSUD shall, in accordance with pertinent civil service rules, create positions and enlist
10 additional personnel to ensure the proper and appropriate implementation of the Program under
11 this Act, subject to the evaluation and approval by the DBM.

12 **SEC. 10. *Appropriations.*** The amount necessary for the effective implementation of
13 this Act shall be charged against the current appropriations for DHSUD. Hereafter, such
14 amount as may be necessary for its continued implementation shall be included in the annual
15 General Appropriations Act: Provided, that funding support for agencies implementing the
16 Program shall be included in the necessary appropriations for this Act.

17 **SEC. 11. *Implementing Rules and Regulations.*** The DHSUD, in coordination with
18 relevant government agencies, shall issue rules, regulations, and guidelines necessary to carry
19 out the intent and purposes of this Act within six (6) months from date of effectivity.

20 **SEC. 12. *Mandatory Review on the Implementation of this Act.*** The DHSUD shall
21 submit to the Congress a report on the implementation of this Program at the end of the second
22 year from the date of effectivity of this Act and every two (2) years thereafter.

23 **SEC. 13. *Separability Clause.*** If any provision of this Act, or parts thereof, is declared
24 unconstitutional, the same shall not affect the validity and effectivity of the other portions.

25 **SEC. 14. *Repealing Clause.*** All laws, executive orders, presidential decrees,
26 implementing rules and regulations inconsistent with this Act are hereby repealed or modified
27 accordingly.

28 **SEC. 15. *Effectivity.*** This Act shall take effect fifteen (15) days after its publication in
29 the Official Gazette or in two (2) newspapers of general circulation.

Approved,