

Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City

NINETEENTH CONGRESS
First Regular Session

House Bill No. **8156**



Introduced by **Rep. FERDINAND MARTIN G. ROMUALDEZ &
Rep. FERDINAND ALEXANDER A. MARCOS**

EXPLANATORY NOTE

The National Housing Authority (NHA) was organized as a government-owned and controlled corporation by virtue of Presidential Decree No. 757 on July 31, 1975. This integrated the efforts of the government in addressing the housing problem of the country.

Four decades since its establishment, the NHA Charter remained unchanged and its corporate term is set to expire. In order to adapt to the changing conditions in the housing industry and address the current problems of the agency, there is a need to expand, strengthen and reorganize the NHA as well as extend its corporate term.

Hence, this bill.

This proposed measure integrates all laws relative to the National Housing Authority, update its charter, strengthen its functions, reorganize its structure, and provide for its perpetual existence. The changes introduced into this bill would allow the NHA to implement innovative and alternative solutions in addressing the housing needs of informal settler families, the lower-income classes and the vulnerable sector; develop, sustain, and reinforce the government's partnership with local government units and the private sector, generate income through the efficient utilization of existing and future assets, and; strengthen citizen participation in the planning of housing programs and projects.

In light of the foregoing, the immediate passage of this bill is earnestly sought.


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AN ACT
STRENGTHENING THE NATIONAL HOUSING AUTHORITY,
EXTENDING ITS CORPORATE TERM, AND AMENDING FOR THIS
PURPOSE PRESIDENTIAL DECREE NO. 757 (P.D. 757), "CREATING THE
NATIONAL HOUSING AUTHORITY AND DISSOLVING THE EXISTING
HOUSING AGENCIES, DEFINING ITS POWERS AND FUNCTIONS,
PROVIDING FUNDS THEREFOR, AND FOR OTHER PURPOSES."

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

SECTION 1. Title. – This Act shall be known as the "National Housing Authority Act of 2023".

SECTION 2. Declaration of Policy. – It is the policy of the State to ensure a continuing urban land reform and housing, which will make available at affordable cost, sustainable housing and basic services to underprivileged and homeless citizens, in order to guarantee freedom from poverty, rising standard of living, and improved quality of life for all.

The State, in partnership with the private sector, and its stakeholders shall also:

- a. Expand the people's access to affordable, adequate, safe, and secure shelter in well-planned and sustainable communities;
- b. Enable informal settler families to live in resilient, vibrant, and connected urban communities;
- c. Promote inclusive and integrated housing that are culturally sensitive, community-based, responsive to local context and/or special needs, and in accordance with appropriate standards and designs;
- d. Develop and sustain close partnerships with local government units (LGUs) to enhance and streamline the formulation, preparation, and implementation of housing programs;

- e. Develop and sustain investments in the housing and urban development sector by, among others, promoting partnerships, improving market linkages, simplifying government procedures and facilitating access to finance;
- f. Improve affordability of housing programs and projects;
- g. Respond to displacement of families due to natural disasters and emergencies;
- h. Promote climate change resilient housing and basic infrastructure, taking into account the importance of cultural and environmental stewardship; and
- i. Make land available and accessible for housing.

SECTION 3. Statement of Objective. – Towards this end, the State shall integrate all laws relating to the National Housing Authority to effectively achieve the following objectives:

- a. Develop integrated, sustainable, safe, affordable and resilient communities, particularly for the underprivileged and homeless as well as low-income households;
- b. Implement innovative and alternative solutions in addressing the housing needs of informal settler families, the lower-income classes and the vulnerable sector;
- c. As a government-owned and -controlled corporation, to generate income through the efficient utilization of existing and future assets to support the programs of the Authority;
- d. Adopt viable land acquisition and management approaches; and,
- e. Strengthen housing as a platform to reduce poverty, promote climate resilience, improve socio-cultural outcomes, and promote economic development.

SECTION 4. Extension of Corporate Term; Effect. – Upon the approval of this Act, the government corporation known as the National Housing Authority, hereinafter, the “Authority”, created by virtue of Presidential Decree No. 757 (P.D. 757), shall have perpetual existence unless otherwise terminated or abolished.

As such, the Authority shall continue to perform its mandates, exercise its powers and functions, and enjoy its incentives, as contained in P.D. 757, and subsequent laws and issuances, unless expressly repealed herein. Likewise, it shall continue to enjoy all rights and assume all of the liabilities that pertain thereto.

SECTION 5. Office. – The Authority shall retain its principal office at the NHA Main Office, Elliptical Road, Diliman, Quezon City 1101, but may have such regional and district offices, agencies, or subsidiaries in other areas all over the country, as maybe necessary. The Authority shall be under the control of the Office of the President and supervised by the Department of Human Settlements and Urban

Development for purposes of policy and program coordination, monitoring and evaluation.

SECTION 6. Powers and Functions of the Authority. –The Authority, in line with its role as the sole government agency engaged in shelter production, and in pursuit of the foregoing policies and objectives, shall also exercise the following powers and functions:

I. Housing Operations and Support Services

- a. Develop and implement comprehensive and integrated housing and urban and rural development programs for citizens including, but not limited to:
 - (i) programs for the improvement of blighted urban areas;
 - (ii) direct shelter production and disposition primarily for informal settler families and the underprivileged and homeless;
 - (iii) relocation of families subject of court-ordered eviction; and,
 - (iv) housing programs for government employees and armed personnel, such as but not limited to: members of the Armed Forces of the Philippines (AFP), Philippine National Police (PNP), Bureau of Jail Management and Penology (BJMP), Bureau of Fire Protection (BFP), and Bureau of Corrections (BuCor).
- b. Prescribe guidelines and standards for the reservation, conservation and utilization of public lands identified for housing and resettlement;
- c. Design and implement sustainable livelihood programs, fully funded by the national government, which are responsive to the needs of its housing community, in coordination with the concerned local and national government agencies and, whenever practicable, with participation of civil society organizations and the private sector;
- d. Strengthen citizen participation in the planning of housing programs and projects. Housing programs and projects shall be publicly available in a manner that affords affected housing residents, assisted families, and other interested parties an opportunity, for a period not shorter than sixty (60) days, to study and comment on the measures. The Authority, in preparing a final plan or in making amendments, shall consider comments or views received from stakeholders. The final plan, program, amendment, or report shall be made publicly available.
- e. Formulate a comprehensive housing management plan, which shall be updated regularly, or as circumstances require, and shall contain the following:
 - (i) Financial Resources – An operating budget for the Authority that includes a description of financial resources available; the uses to which such resources will be committed, and administrative, management, maintenance, and capital improvement activities to

be carried out; and an estimate of market value of each public housing development of the Authority;

- (ii) Eligibility – A statement of the policies of the Authority governing eligibility, admissions, and occupancy of housing dwelling units and housing assistance. The plan shall include the procedures for assignment of families admitted to dwelling units and any standards and requirements for occupancy. The necessary safeguards for unauthorized sale, lease, rent or disposition of housing units shall also be reinforced; and
 - (iii) Quality Standards - A statement of the standards and policies of the Authority governing maintenance and management of housing projects. It shall lay down the routine and preventive maintenance policies for public housing, emergency, and disaster plans as well as collection and security plans and policies.
- f. Develop and undertake our urban and rural development projects including basic community facilities, by itself or through joint ventures or other arrangements with public and private entities;
 - g. Improve, redevelop, or revitalize completed but not yet turned-over NHA housing projects by constructing therein additional community structures or, whenever necessary, demolishing previously erected structures similar in nature, and consistent with existing laws and regulations;
 - h. Provide technical and other forms of assistance to local government units in the implementation of their own housing programs, or private developers undertaking low-cost housing projects, coherent with the policies of the Authority;
 - i. Undertake financing of housing programs initiated by local government units or local communities; and
 - j. Extend shelter services to victims of calamities, natural or man-made, as declared by the President; for this purpose, the Authority is given sufficient leeway by the other government agencies to expedite the process.

II. Asset Management and Business Development

- a. Exercise the right of eminent domain, purchase, sell, lease and/or exchange lands for purposes of housing development, resettlement and other related services and facilities;
- b. Issue bonds or contract loans, credits, or indebtedness, including suppliers credit or any deferred payment arrangements with any person or entity, domestic or foreign, for the implementation of its housing programs;

- c. Invest its funds, as it may deem proper, in bonds and securities issued and guaranteed by the government or by the Bangko Sentral ng Pilipinas, and to invest, own or otherwise participate in equity in any establishment, firm or entity; to form, organize, invest in or establish and maintain a subsidiary or subsidiaries in relation to any of its purposes;
- d. Ensure the collection and recovery of all indebtedness, liabilities and/or accountabilities, due from all obligors, whether public or private; to demand payment of the obligations referred to herein, and in the event of failure or refusal of the obligor or debtor to comply with the demand, to Initiate and Institute the necessary or proper actions or suits, criminal, civil administrative or otherwise, before the courts, tribunals, commissions, boards or bodies of proper jurisdiction: Provided, however, that the Authority may compromise or release , in whole or in part, any interest, penalty or civil liability to the Authority in connection with the collection or amortizations, under such terms and conditions as prescribed by the Board of Directors: Provided, further, That the Board may, upon recommendation of the General Manager, deputize any member of the Authority's legal staff to act as special sheriff in foreclosure cases, in the sale or attachment of the debtor's properties, and in the enforcement of court writs and processes in case involving the Authority. The special sheriff of the Authority shall make a report to the proper court after any action taken by him, which shall treat such action as if it were an act of its own sheriffs in all respects; and,
- e. Generate sources and formulate schemes for financing, with due delineation of government and private sector participation.

III. Management Services

- a. Formulate and enforce general and specific policies for housing and resettlement;
- b. Monitor and/or discharge of all responsibilities of the government as may arise from treaties, agreements, and other commitments on housing and resettlement to which it is a signatory, including the determination of forms of assistance for housing development to be extended through multilateral or bilateral assistance programs;
- c. Serve as central repository of database and census list of households/families along waterways, danger areas, government infrastructure project site and government owned lands in Metro Manila and all regions nationwide, which shall be used for subsequent government interventions with housing and resettlement component; and
- d. Approve restructuring proposal for the payment of unpaid amortizations under such terms and conditions as the Board of Directors may prescribe.

SECTION 7. The Board of Directors; Its Composition. – The Board of Directors, hereinafter referred to as the Board, is hereby reconstituted to have a maximum of thirteen (13) members, consisting of the following:

- a. Eleven (11) ex-officio members, namely:
 1. Secretary of the Department of Human Settlements and Urban Development;
 2. Secretary of the Department of Public Works and Highways;
 3. Secretary of the Department of Finance;
 4. Secretary of the Department of Trade and Industry;
 5. Secretary of the Department of Labor and Employment;
 6. Secretary of the Department of Environment and Natural Resources;
 7. Secretary of the Department of Interior and Local Government;
 8. Secretary of the Department of Budget and Management;
 9. Director-General of the National Economic and Development Authority;
 10. Executive Secretary; and,
 11. General Manager of the Authority.
- b. Two (2) expert panel members with expertise in housing, urban planning and development.

The expert panel members must be: (i) Filipino citizens and of good moral character (ii) be of recognized probity and independence and must have distinguished themselves professionally in public, civic or academic service; (iii) be in the active practice of their professions for at least seven (7) years; and (iv) not be appointed within one (1) year after losing in the immediately preceding elections, whether regular or special.

The Secretary of the Department of Human Settlements and Urban Development shall be the ex officio Chairperson of the Board.

All appointive members/directors must have qualified under the Fit and Proper Rule, as defined by Republic Act 10149 or the Governance Commission for GOCCs (GCG) Law.

An appointive director shall continue to hold office until the successor is appointed.

The Board shall meet regularly at least once a month but special meetings may be called either by the Chairperson or by at least seven (7) members of the Board as when necessary. Seven (7) members of the Board shall constitute a quorum and all decisions of the Board shall require the concurrence of at least seven (7) members.

SECTION 8. Powers and Duties of the Board. – The Board shall have the powers and functions specified in this Act and the usual corporate powers:

- a. Formulate, prescribe, and promulgate the implementing rules and regulations required by this Act;
- b. Promulgate such rules and regulations as may be necessary or proper for the effective exercise of the powers and functions, as well as the discharge of the duties and responsibilities of the Board, its officers and employees;
- c. Act upon the annual budget and such supplemental budgets of the Authority submitted by the General Manager: Provided, that the Board may reduce but may not increase any item proposed by the General Manager;
- d. Approve the Authority's organizational and administrative structures and staffing pattern, and to establish, fix, review, revise and adjust the appropriate compensation package of its officers and employees as submitted by the General Manager;
- e. Design, formulate, negotiate, and implement financial or investment schemes;
- f. Enter into such contract or agreement as may be necessary for the attainment of the purposes and objectives of this Act;
- g. Enter into and execute memoranda of agreements, joint ventures, long-term leases and management contracts with private sector entities, to include real estate developers or construction companies with dependable repute and proven track record in developing and managing real estate ventures;
- h. Condone or compromise, in whole or in part, penalties, interests or civil liabilities imposed on beneficiaries with delinquent accounts who, for justifiable reasons prescribed by the Board, failed to pay on time any obligation due to the Authority;
- i. Render annual reports to the President and such special reports as may be requested; and,
- j. Exercise all the powers necessary or incidental to the attainment of the purposes of this Act.

SECTION 9. Duties of the General Manager. – The General Manager shall be appointed by the President and have the following powers and duties:

- a. Execute and administer the policies and resolutions approved by the Board of Directors and prepare its agenda;
- b. Direct and supervise the operations, management and internal affairs of the Authority. The General Manager may delegate certain of his administrative responsibilities to other officers of the Authority, subject to the rules and regulations promulgated by the Board;
- c. Subject to the approval of the Board, to fix the number and salaries of, and appoint, the subordinate officers and personnel of the Authority and to

remove, or otherwise discipline, for cause, any such officer or employee pursuant to the provisions of the Civil Service Commission on discipline;

- d. Represent the Authority in all dealings with other officers, agencies, and instrumentalities of the Government and with all persons and entities, public or private, domestic or foreign;
- e. Act, in the conduct of the business of the Authority, on all matters that are not by this Act specifically reserved to the Board;
- f. Solely confer lot awards to the eligible beneficiaries;
- g. Have original and exclusive jurisdiction over cases filed questioning the propriety of lot awards granted to the Authority's beneficiaries; for this purpose, the General Manager may create a body for the investigation and adjudication of such cases;
- h. Within the limits of the authority delegated to him by the Board, to execute contracts, incur obligations, acquire and dispose of assets and deliver documents on behalf of the Authority;
- i. To grant permits, licenses, clearances or concessions in accordance with this Act;
- j. To prepare and submit to the Department of Budget and Management budget proposals of all kinds; and
- k. Exercise such other powers and duties as may be vested in him by the Board.

SECTION 10. Assistant General Managers. – The General Manager shall be assisted by three (3) Assistant General Managers, who shall be appointed by the President of the Philippines, upon the recommendation of the General Manager. At least one (1) Assistant General Manager shall preferably be a career officer. The General Manager is further authorized to delineate and assign other functional areas or responsibilities of the Assistant General Manager and/or designate other deputies of the Authority, as may be necessary.

SECTION 11. Qualifications and Appointment. – No person shall be appointed General Manager and Assistant General Manager of the Authority unless he or she is a citizen and resident of the Philippines, of good moral character, of proven integrity, competence and expertise in housing, urban planning and development.

SECTION 12. Organizational Structure and Staffing Pattern. – Subject to the approval of the Governance Commission for GOCCs (GCG), the Board shall determine the Authority's organizational structure, and create new divisions or units, as it may deem necessary in accordance with civil service laws, rules and regulations.

Subject to the approval of the Board, the General Manager shall likewise determine the rates of allowances, honoraria, and such other additional compensation

which the Authority is hereby authorized to grant to its officers, technical staff, and consultants, including necessary detailed personnel.

SECTION 13. Disaster and Emergency Response Housing Office. – There shall be a Disaster and Emergency Response Housing Office under the Authority which shall formulate plans and programs addressing the needs of displaced families due to disasters and emergencies and shall ensure the effective and efficient implementation of post disaster or emergency housing programs through sustainable, integrated, multi-sectoral and community-based approaches and strategies, in coordination with local government units.

SECTION 14. Exemption from Taxes and Regulatory Fees. – All laws to the contrary notwithstanding, the Authority, its assets and properties, and all accruals thereto and income or investment earnings therefrom, as well as supplies, equipment, papers or documents shall be exempt from any tax, assessment, fee, charge, or customs or import duty, of any kind, whether imposed by local or national entities.

The exemption includes, but is not limited to the following: income tax, real property tax, capital gains tax, transfer tax, value added tax, donor's tax and similar taxes; and building permit fee, fire inspection permit fee, ECC fees and other regulatory fees. Similarly, the Authority shall be exempt from the payment of documentary stamp tax and registration fees, including fees required for the issuance of transfer certificates of titles.

Furthermore, to promote the policy of improving housing affordability, projects of the National Housing Authority, in cooperation with local government units, the private sector and other entities, shall also enjoy the exemptions enumerated above.

SECTION 15. Lands for Authority Projects: Management, Conversion and Classification.– The Authority shall assess the lands identified and designated for Housing and Urban and Rural Development, pursuant to Section 24 of Republic Act No. 11201, for program or project feasibility. Should the site evaluation be in the affirmative, said lots shall forthwith be transferred to the Authority for administration.

This shall not, however, preclude the Authority from pursuing its continuing mandate of identifying, acquiring and managing lands for the immediate and future needs of its beneficiaries.

In pursuit thereof, the Authority must consider, among others, the access to basic services and utilities, and modes of transport to economic opportunities and the preservation of the social capital of beneficiaries.

Lands identified and approved by the Authority for rehabilitation projects to be developed within areas that have been declared under a state of calamity by the President or any competent authority, upon the recommendation of the National Disaster Risk Reduction and Management Council or any local disaster risk reduction and management council shall be converted or reclassified, in order to facilitate its immediate development. For purposes of site selection under this modality, the Authority shall be guided by the hierarchy of priorities in the acquisition of land,

under Section 9 of RA 7279, and ensure that protected lands, under special laws, such as RA 8371, RA 8435, RA 6657, and other agrarian reform laws, shall be preserved for equally important land uses.

The Authority, in coordination with the Department of Human Settlements and Urban Development (DHSUD), the Department of Interior and Local Government (DILG), the Department of Agriculture (DA), the Department of Agrarian Reform (DAR), the Department of Environment and Natural Resources (DENR) and the National Commission on Indigenous Peoples (NCIP) to craft the rules and regulations necessary to implement this provision within 180 days after the approval of the Act.

SECTION 16. Management or Disposition of Completed Projects. – The Authority shall determine, establish, and maintain the most feasible and effective program for the management or disposition of specific housing or resettlement projects.

SECTION 17. Management or Disposition of Completed Projects. – The Authority shall determine, establish, and maintain the most feasible and effective program for the management or disposition of specific housing or resettlement projects.

Unless otherwise decided by the Board, completed housing or resettlement projects shall be managed and administered by the Authority until it has/ they have been turned over to the local government unit concerned or other public or private entity concerned, as the case may be.

SECTION 18. Reports. – The Authority shall submit an annual report to the Office of the President, copy furnished to the Department of Human Settlements and Urban Development, indicating, among others, the housing program being implemented, the stage of implementation, and the financial position of the Authority. It shall likewise submit such periodic or other reports as may be required from time to time.

SECTION 19. Audit. – The Chairperson of the Commission on Audit (COA) shall act as the ex officio auditor of the Authority, and accordingly, is empowered to appoint a representative and other subordinate personnel to perform and report on such audit duties, who shall be responsible to and removable only by the COA Chairperson, without prejudice, however, to the power of the Board of Directors to contract for another mode of independent audit service, in addition to that provided by COA as provided for under PD 1445, otherwise known as the Government Auditing Code of the Philippines.

SECTION 20. Implementing Rules and Regulations. –The implementing rules and regulations to effectively carry out the provisions of this Act shall be adopted and promulgated by the Board of Directors of the Authority, not later than ninety (90) days after the effectivity of this Act.

The Departments, charged with crafting the implementing rules and regulations to effectively carry out Section 14 hereof, are given thirty (30) days after the effectivity of the Act to issue the same.

SECTION 21. Applicability of the Revised Corporation Law. – The provisions of the Revised Corporation Code, in so far as they are not inconsistent with the provisions and policies provided in this Act, shall be applicable to the Authority.

SECTION 22. Separability Clause. – If any provision of this Act is declared to be unconstitutional or invalid, the remaining provisions not affected thereby shall continue to be in full force and effect.

SECTION. 23. Repealing Clause. – All other laws, decrees, executive orders, or rules and regulations or parts thereof inconsistent or contrary to the provisions of this Act or its purposes are hereby amended or modified accordingly.

SECTION 24. Effectivity Clause. – This Act shall take effect fifteen (15) days after its publication in the Official Gazette or in a newspaper of general circulation.