



Republic of the Philippines
House of Representatives
Quezon City

TWENTIETH CONGRESS

First Regular Session

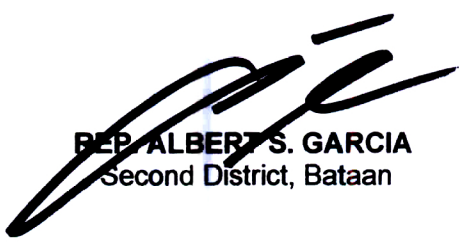
House Bill No. 1085



Introduced by Representative Albert S. Garcia

EXPLANATORY NOTE

This bill aims to institutionalize the *Pambansang Pabahay Para sa Pilipino* program (4PH). The flagship housing program of the Marcos administration under the Department of Human Settlements and Urban Development (DHSUD), 4PH aims to provide 6 million housing units to qualified informal settler families within a 6-year time span (with the goal of 1 million units per year). Given the country's ongoing challenges in housing, the sustained implementation of the 4PH will be an important step towards ensuring that informal settler families are able to avail of safe and more permanent homes. In view of the foregoing, approval of this bill is earnestly sought from my colleagues.


REP. ALBERT S. GARCIA
Second District, Bataan



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House Bill No. **1035**

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AN ACT
INSTITUTIONALIZING THE PAMBANSANG PABAHAY PARA SA PILIPINO PROGRAM

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

1 **SECTION 1. Title.** - This Act shall be known as the "Pambansang Pabahay para
2 sa Pilipino Program Act of 2025."

3 **SEC. 2. Declaration of Policy.** - It is hereby declared a policy of the state to pursue
4 a continuing program of housing and urban development which shall make available at
5 affordable cost, decent housing and basic services especially the underprivileged and
6 homeless citizens by establishing a housing interest subsidy program with particular
7 focus on assisting informal settler families (ISFs) acquire their own decent housing.

8 **SEC. 3. The Pambansang Pabahay para sa Pilipino Program** – The Department
9 of Human Settlements and Urban Development (DHSUD) shall implement the
10 Pambansang Pabahay para sa Pilipino Program, hereinafter referred as the "Program",
11 which shall have the following objectives:

12 (a) Develop one million housing units every year;

13 (b) Prioritize the lowest 30% income decile of the population and low wage earners
14 as primary beneficiaries of the Program;

1 (c) Pursue innovative strategies to make housing finance accessible and housing
2 units affordable to the target beneficiaries, through but not limited to the
3 following:

4 (1) Allocate government funds for the payment of housing interest support to
5 lower the monthly interest rate payment of qualified program
6 beneficiaries;

7 (2) Utilize vacant, idle, blighted and/or under-utilized government and private-
8 owned lands for housing and mixed-use development;

9 (3) Tap government financing institutions (GFIs) and private banks to provide
10 development loans & end-user financing; and

11 (4) Promote varied forms of modalities in implementing housing and mixed-
12 use development.

13 (d) Capacitate and support the local government units (LGUs) as one of the main
14 project proponents in implementing housing projects; and

15 (e) Encourage and incentivize the private sector to participate in the program
16 implementation.

17
18 **SEC. 4. Program components. –**

19 (a) Site identification. - As the main project proponents, the LGUs shall, in
20 coordination with the DHSUD, be responsible for project site identification and
21 the development of their respective residential project/s. LGUs may engage
22 and/or enter into a joint venture with government entities or private developers
23 or builders, to undertake and construct housing projects using DHSUD-guided
24 housing parameters.

25 The following lands may be used for the housing projects:

26 (1) LGU-owned property. The property identified for the project should have a
27 "clean" or a "near-clean" title. For this purpose, a "clean title" shall be defined
28 as one that is registered in the name of the LGU and is entirely free of any
29 lien or encumbrance. On the other hand, a "near-clean title" shall be defined
30 as one that is affected by a lien or encumbrance including any adverse claim
31 or interest or any issue, complication or obstacle that can be resolved within
32 the timeframe needed for its utilization and the completion of the project.

33 (2) NGA-owned property. LGUs who intend to use the properties of National
34 Government Agencies (NGAs) for their housing projects shall be mainly

1 responsible for securing the issuance of authority to use such land and/or
2 the disposal/transfer thereof to them from the NGAs concerned.

3 (3) Privately-owned property. Private landowners of blighted areas or land
4 occupied by ISFs are encouraged to participate in the 4PH Program by (a)
5 donating their land, or (b) selling their properties at a reduced/discounted
6 price. Subject to the cap on the proposed selling price of the planned housing
7 units, the LGUs may consider purchasing such land or entering into a joint
8 venture agreement with the owner, subject to compliance with appropriate
9 government laws and regulations.

10 (b) Housing design. - LGUs shall be responsible for preparing the parameters of
11 their proposed housing projects, in accordance with existing government-
12 prescribed laws and standards, and the following DHSUD design and proposed
13 price ceiling parameters for projects to be accredited under the Program.

14 (c) Housing construction. - LGUs shall procure or select qualified developers and/or
15 contractors to construct the proposed housing project/s in accordance with
16 applicable government rules and regulations. Notwithstanding the entry of new
17 developers and contractors, the LGUs are encouraged to invite housing
18 developers who are known to have good standing and have already undertaken
19 projects within their areas of jurisdiction and need to develop corresponding
20 socialized housing projects in compliance with the balanced housing
21 development program requirement.

22 (d) Financing for the housing project. - The Pag-IBIG Fund (HDMF), as well as other
23 GFIs and private banks, shall make their funds available for the LGUs' housing
24 projects through their respective developmental loan programs. They shall also
25 participate by providing end-user financing to homebuyers;

26 (e) Beneficiaries. - LGUs shall set the eligibility criteria for, and identify, the project
27 beneficiaries. In formulating such criteria, they shall coordinate with GFIs and
28 private banks that will provide end-user financing to ensure alignment of all their
29 selection criteria particularly as regards the credit- worthiness and amortization
30 capacity of potential buyer-beneficiaries.

31 Beneficiaries must be capable of and committed to paying the monthly housing
32 loan amortization over the 30-year loan term, to the GFIs or private banks. The
33 above notwithstanding, LGUs and their development partners are not prohibited
34 from developing housing projects that incorporate or provide cross subsidies

1 between different income classes so as to benefit more ISFs and lower- bracket
2 wage earners.

- 3 (f) Subsidy on amortization and interest. – The DHSUD shall, directly or through its
4 attached corporations, provide amortization support payable to the end-user
5 finance providers for the account of the buyer-beneficiaries' units, using funds
6 that will be made available through the General Appropriations Act (GAA), and/or
7 other identified funding sources. LGUs are also encouraged to provide monthly
8 amortization support to buyer- beneficiaries of the units, if needed to enable them
9 to meet their monthly amortization obligations.

10 **SEC. 5. Roles and Responsibilities.** - The implementing agencies shall, at the
11 minimum, undertake the following roles, functions, and responsibilities:

12 (a) Department of Human Settlements and Urban Development (DHSUD)

- 13 (1) Act as the overall initiator, coordinator, and facilitator, of the Program;
14 (2) Facilitate the provision of funds through the GAA, Key Shelter Agencies (KSAs),
15 GFIs and private banks, for use as: (a) development loans, (b) interest support
16 for the program's project beneficiaries, (c) end-user financing, (d) guarantee
17 financing, and (e) purchase of loan accounts;
18 (3) Oversee and monitor the implementation of the Program, including the project
19 implementation and performance of all participants;
20 (4) Provide parameters/specifications, extend support and technical assistance to
21 LGUs, developers, and other program partners including facilitating the
22 issuance of Development Permits and Licenses to Sell within its areas of
23 responsibilities; and
24 (5) Perform such other roles, functions and acts which it may deem proper and
25 necessary for the effective and full implementation of the Program;

26 (b) Local Government Units (LGUs)

- 27 (1) Act as the main proponent and major player in the planning, implementation
28 and management of their respective housing projects;
29 (2) Have the primary responsibility of identifying lands for potential project locations
30 as well as making it available for their proposed housing projects;
31 (3) Determine and prepare the project concept to be used for their housing
32 projects;

- (4) Determine the implementation modalities for each of their envisioned housing projects, including which project to undertake on its own, through joint venture, or using other options;
 - (5) Identify the project proponent that would undertake the development of each project, whether solely or in joint venture with third parties;
 - (6) Identify, select and enter into agreements with qualified developers and/or contractors to implement their proposed housing projects, in accordance with applicable government laws, rules and regulations;
 - (7) Provide support to their priority housing projects and beneficiaries, either through monthly amortization support and/or other commitments or forms/modes of assistance, such as land donation and site development, to make the units affordable to target buyer-beneficiaries;
 - (8) Issue the appropriate resolutions and/or ordinances needed for the proposed projects, including the allocation of land, funds and other necessary support for the successful implementation of the projects;
 - (9) Establish an office and provide qualified personnel to implement their housing program;
 - (10) Conduct social preparation activities for target beneficiaries in coordination with the DHSUD and its pertinent KSAs;
 - (11) Facilitate the expeditious issuance of local permits and clearances for their projects;
 - (12) Take charge, to the extent possible and applicable, of all documentation necessary for the full implementation of their housing program;
 - (13) Undertake estate/property management responsibilities for their projects and ensure the availability of funds for the purpose;
- (c) National Housing Authority and Social Housing Finance Corporation
- (1) As landowners, enter into appropriate partnership agreements with the concerned partner LGUs;
 - (2) As a developer and/or project manager, implement the project/s in coordination with LGUs and other entities in accordance with the roles and responsibilities as may be agreed upon by the parties involved;
 - (3) Provide support to LGUs in social preparation, project development, and such other assistance needed for the successful implementation of the LGUs' housing program and projects under the Program;

1 (d) Home Development Mutual Fund (HDMF), participating Government Financial
2 Institutions (GFIs) and Private Banks

3 (1) Establish special lending programs with simplified, streamlined and expedited
4 guidelines, requirements, and processes, and allocate exclusive funds for the
5 Program, such as those needed for developmental loans to developers, and
6 end-user financing to project buyer-beneficiaries to allow the latter to purchase
7 their housing units;

8 (e) National Home Mortgage Finance Corporation (NHMFC)

9 (1) Provide liquidity to GFIs and private banks to ensure the sustainability of the
10 Program by purchasing eligible Real Estate Mortgage (REM) accounts from
11 them, securitizing such loan portfolios, and issuing asset-backed securities to
12 attract more funds for housing.

13 **SEC. 6. *Annual Report of the Program.*** - The DHSUD shall annually publish a
14 full report of the Program covering the implementation of the previous fiscal year. The
15 said report shall include financial disclosures, number of clients or beneficiaries served,
16 and recommendations to the President and to both chambers of Congress on how to
17 further enhance the program.

18 **SEC. 7. *Program Transparency.*** - The DSHUD shall regularly and timely post
19 and update on its website a report of financial disclosures and information about
20 beneficiaries based on geographical area, social, economic, and cultural
21 circumstances.

22 **SEC. 8. *Joint Congressional Oversight Committee.*** - Upon effectivity of this
23 Act, a Congressional Oversight Committee, hereafter referred to as the Pambansang
24 Pabahay Oversight Committee is hereby constituted. This Committee shall set the
25 overall framework to review the implementation of this Act. It shall likewise determine
26 inherent gaps in the law and recommend necessary remedial legislation or executive
27 measures.

28 **SEC. 9. *Appropriation.*** - The amount necessary to implement this Act shall be
29 included in the annual General Appropriations Act.

30 **SEC 10. *Separability Clause.*** - Any portion or provision of this Act that is
31 declared unconstitutional shall not have the effect of nullifying other portions or
32 provisions hereof as long as such remaining portions can still subsist and be given effect
33 in their entirety.

1 **SEC 11. Repealing Clause.** - All laws, ordinances, rules, regulations, other
2 issuances or parts thereof, which are inconsistent with this Act, are hereby repealed or
3 modified accordingly.

4 **SEC 12. Effectivity.** - This Act shall take effect fifteen (15) days after its
5 publication in the Official Gazette or in a newspaper of general circulation.

Approved

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