

Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City

TWENTIETH CONGRESS
First Regular Session

HOUSE BILL NO. 3221



Introduced by REP. EMILIO BERNARDINO L. YULO

EXPLANATORY NOTE

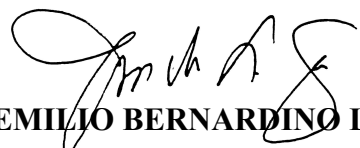
The Philippines, as an archipelagic country located on the Pacific Ring of Fire, is one of the most disaster-prone countries in the world. Typhoons, earthquakes, volcanic eruptions, and other natural disasters force countless Filipino families to evacuate each year. These disasters result in the instant destruction of homes, properties, and vital infrastructure, leading to economic losses amounting to millions, if not billions, of pesos.

For many Filipino families, who often have limited resources, recovering from these disasters is a challenge. Adding to their struggles are financial obligations, particularly loan repayments. Many families are burdened with loans they incurred for housing, education, or livelihood purposes, which become difficult, if not impossible, to repay in the aftermath of a disaster. This worsens their already difficult situation, leaving them with little to no capacity to recover and address their most basic needs.

This proposed measure seeks to provide an automatic loan moratorium on the payment of loans during disasters in areas declared to be in a state of calamity. By deferring loan payments for a specific period, this measure aims to alleviate the financial burden on families, giving them time to focus on securing food, shelter, and other basic necessities.

The bill aims to protect families who might have lost their source of livelihood or income by easing their financial burden. This underscores our commitment to promoting resilience and ensuring that our people are afforded the necessary support to recover and rebuild in the face of adversity.

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


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**AN ACT PROVIDING FOR AUTOMATIC MORATORIUM ON THE
PAYMENT OF BASIC UTILITY BILLS DURING DISASTERS IN AREAS
DECLARED TO BE IN STATE OF CALAMITY**

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

SECTION 1. *Short Title.* This Act shall be known as the "*Calamity Payment
Moratorium on Utilities Act*".

SEC. 2. *Declaration of State Policy.* It is hereby declared the policy of the State to promote the general welfare, public safety, health and economic security of the Filipino people in times of calamity, natural or man-made. In line with this declared policy, the State recognizes the need to provide adequate relief and protection to Filipinos in emergency or crisis situations.

SEC. 3. *Scope.* This Act shall cover all natural persons whose residence is located in barangays, municipalities, cities, provinces, or regions under a State of Calamity, and who have loan obligations in the said affected locality.

SEC. 4. *Declaration of State of Calamity.* - The declaration by the President of the Philippines, upon the recommendation of the National Disaster Risk Reduction and

Management Council (NDRRMC), or the *Sanggunian Bayan/Panlungsod*, upon the recommendation of the Municipality/City Mayor, or the *Sanggunian Panlalawigan*, upon the recommendation of the Provincial Governor, as the case may be, of a state of calamity in accordance with Section 16 of Republic Act No. 10121 otherwise known as the "Philippine Disaster Risk Reduction and Management Act of 2010"; Republic Act No. 11332, otherwise known as the "Mandatory Reporting of Notifiable Diseases and Health Events of Public Health Concern Act"; and other relevant laws, rules, and regulations, and the lifting thereof shall be the basis for the effectivity of the measure provided under this Act.

SEC. 5. *Moratorium on the First One Hundred Twenty Days of a State of Calamity.* - There shall be a moratorium on all payment obligations for no more than one hundred twenty (120) days following the date of declaration of a state of calamity. Lending companies, or public or private creditors are prohibited from exacting payment during the entire duration of the moratorium. *Provided*, that no penalties or interests shall be collected on the deferred payments made pursuant to this Act. *Provided further*, that nothing in this section shall prevent voluntary payment by customers. *Provided, finally*, that the moratorium shall be lifted simultaneously when the state of calamity is lifted within one hundred twenty days from the date of its declaration or earlier.

SEC. 6. *Installment Payment for the Deferred Liability.* - Any amount due and demandable during the moratorium period of one hundred twenty days following the declaration of a state of calamity under Section 5 of this Act shall be payable in not less than six (6) equal monthly installments, without interest, which shall accrue a month after the cessation of a state of calamity.

SEC. 7. *Penalty.* – Lending companies, or public or private creditors found in violation of this law shall be punishable with a fine of not less than Fifty Thousand Pesos (P50,000.00) and not more than One Hundred Thousand Pesos (P100,000.00) per infraction.

SEC. 8. *Repealing Clause.* All laws, executive orders, presidential decrees, rules and regulations or parts thereof which are in conflict or inconsistent with the provisions of this Act are hereby repealed, amended or modified accordingly.

SEC. 9. *Separability Clause.* In the event that any provision of this Act is declared unconstitutional, the validity of the other provisions shall not be affected by such declaration.

SEC. 10. *Effectivity.* This Act shall take effect fifteen (15) days after its publication in the Official Gazette or in a newspaper of general circulation.

Approved,