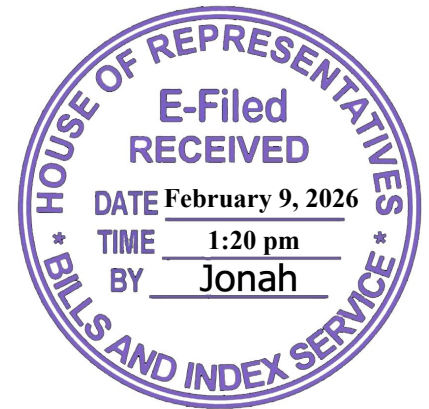


Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City, Metro Manila

TWENTIETH CONGRESS
First Regular Session

HOUSE BILL NO. 7656



Introduced by **ANG PROBINSYANO**
Party-List Representative Alfred Delos Santos

EXPLANATORY NOTE

The State, under Article II, Section 9, is bound to “promote a just and dynamic social order that will ensure the prosperity of the nation and free the people from poverty through policies that provide adequate social services, promote full employment, a rising standard of living, and an improved quality of life for all.” In relation, under Article XIII, Section 1 mandates Congress to “give the highest priority to the enactment of measures that protect and enhance the right of all the people to human dignity, reduce social, economic, and political inequalities, and remove cultural inequities by equitably diffusing wealth and political power for the common good.” Section 2 of the same Article even specifies that “[t]he promotion of social justice shall include the commitment to create economic opportunities based on freedom of initiative and self-reliance.”

However, according to Habitat for Humanity, “4 out of 10 families [in the Philippines] don’t have a decent place to live,” meaning they “live in slum areas.”¹ “Those 4 out of 10 equal about 4 million families (or roughly 20-25 million people), who do not have decent housing.”² The United Nations has also raised alarms over this situation, stating that 44% of the Philippine urban population lives in slums.³

Further complicating this situation is the fact that previous relocation programs have been revealed to be problematic—displacing the informal settlers without arranging housing for them, *or* taking them too far away from their employment/sources of income:⁴

¹ Habitat for Humanity, “Slum redevelopment: the need for social housing in Manila,” available at <https://www.habitatforhumanity.org.uk/blog/2017/10/upgrading-slums-philippines-need-social-housing/>.

² Id.

³ John Francis Lagman, “Anatomy of the Nation’s Housing Problems,” p.104, available at <https://www.philrights.org/wp-content/uploads/2011/07/Anatomy-of-the-nations-housing-problems.pdf>.

⁴ Id. at 108-109.

[Urban Poor Associates (UPA)]...estimates that only half of the evicted families receive relocation assistance. Take for example the particularly extensive clearing of informal settlements and the massive displacement of families resulting from the Northrail and Southrail Linkage Project, which aims to rehabilitate the existing railway system from Mabalacat, Pampanga to Cabuyao, Laguna to help decongest traffic in Metro Manila. The relocation of 92,000 families to different sites in Bulacan, Laguna and Cavite has started, with 36,000 families reportedly evicted after proper coordination, approval and clearance from the Presidential Commission for the Urban Poor (PCUP). But contrary to pronouncements of an in-city relocation policy, majority of the affected families were transferred to distant off-city sites such as Towerville (San Jose del Monte, Bulacan), Southville 2 (Trece Martires, Cavite) and Southville 1 (Cabuyao, Laguna). Relocation to sites far from their sources of income has disrupted these families' already meagre cashflow, and the absence of viable livelihood opportunities in the new sites is not easily remedied in the immediate term. The lack of basic services such as potable water, electricity, sanitation facilities as well as classrooms and health centers further exacerbates their situation. HUDCC, the agency overseeing these resettlement programs, explains these inadequacies as being part of what it calls the "incremental approach" whereby basic services are gradually provided as funds allow, even as families have already moved in. Those who do not receive relocation assistance are left to fend for themselves, and more often than not transfer to other slum areas or create new ones elsewhere

Hence, this bill, which aims to help informal settlers afford better housing, by subsidizing their rent, and in this way, facilitates their relocation without forcibly removing them from the vicinity of their employment/sources of income.

It is for the foregoing premises that the approval of this Bill is earnestly sought.


ALFRED C. DELOS SANTOS
Representative, Ang Probinsyano Party-List

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Introduced by **ANG PROBINSYANO**
Party-List Representative Alfred Delos Santos

AN ACT
ESTABLISHING THE RENTAL HOUSING SUBSIDY PROGRAM AND
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. *Short Title.* – This Act shall be known as the “Rental Housing Subsidy Program Act of 2022.”

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

- a) Promote a just, equitable, and inclusive urban development through programs providing adequate social services, broader housing options, livelihood and employment, and improved quality of life for the Filipino people, especially the underprivileged;
- b) Provide an innovative housing program providing affordable, livable, and decent housing, as well as access to basic social services, especially for the underprivileged;
- c) Protect the urban poor from the impact of immediate dislocation due to eviction and demolition arising from government projects; and
- d) Provide options for interim housing for displaced families due to natural and man-made disasters.

SECTION 3. *Definition of Terms.* – For purposes of this Act, the following terms or words and phrases shall be understood to mean as follows:

- a) *Displacement* – refers to the state of being displaced from one place to another due to causes such as, but not limited to, eviction and demolition;
- b) *Informal Settler Beneficiary (ISB)* – refers to individuals or households living under any of the following conditions:

- 1) Where the individual or household is residing in a lot or dwelling unit without the consent of the legal owner of such lot or dwelling unit;
 - 2) Where the individual or household is residing in a danger area, as determined by the Department of Human Settlements and Urban Development (DHSUD);
 - 3) Where the individual or household is residing in an area reserved or used for government infrastructure projects;
 - 4) Where the individual or household, except for those who are members of indigenous groups, is residing in an area that is classified as a protected or forest area;
 - 5) Where the individual or household is living in an area declared as a priority development area under Proclamation No. 1967, series of 1980, as applicable; or
 - 6) Where the individual or household is living on public lands, structures, or facilities not intended for human habitation.
- c) *Rental Housing Subsidy* – refers to the financial assistance provided by the government to rent accommodation in the private rental market, the amount which shall not exceed the rates as regulated under Republic Act No. 9653, otherwise known as the “Rent Control Act.”

SECTION 4. *Rental Housing Subsidy Program.* – A Rental Housing Subsidy Program, hereinafter referred to as the “Program,” shall be established as a housing and social protection program with the end view of enabling ISBs to lead decent lives and supporting them in accessing the formal housing market. It shall be made an option to address the temporary relocation of displaced families due to natural and man-made disasters.

Eligible beneficiaries shall receive a rental subsidy, the amount of which shall be determined by the DHSUD taking into consideration, among others, the prevailing rental rates in the concerned locality and the economic standing and the economic standing and potential of the family. The subsidy shall be a percentage of the total amount of rentals as determined by the rental or lease contract between the eligible beneficiary and the lessor, provided that for those eligible beneficiaries below the poverty threshold as determined by the Philippine Statistics Authority, the subsidy shall be at least 50% of the total amount of rentals.

Notwithstanding any provisions to the contrary, at any time, but not more than once every two (2) years, subsidies given under the program shall be reviewed or revised to conform to prevailing economic conditions.

Rental subsidy shall be granted to eligible beneficiaries for a maximum of five (5) years or upon their availment or acquisition of permanent housing, whichever comes first.

SECTION 5. *Eligibility.* – To be an eligible beneficiary under this Act, an individual or household must:

- a) Live under any of the conditions under Section 3(b) of this Act;
- b) Have a source of livelihood or have at least one (1) member of the household gainfully employed; and
- c) Vacate the informal settlement area in which they are presently living and transfer or relocate to a safer area.

SECTION 6. *Conditions for Continued Entitlement or Eligibility.* – All eligible beneficiaries shall comply with the following conditions for continued availment of the benefits under this Act:

- a) The beneficiaries shall not move or relocate back to the area in which they were originally living in 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 that portion of the rentals not subsidized under the program to the lessor.

Beneficiaries who maintain good payment standings shall be prioritized as beneficiaries in government housing programs.

SECTION 7. *Form of Payment.* – The rental subsidy shall be distributed by the DSHUD in such form as may be identified by the DSHUD to be most beneficial and appropriate for the beneficiaries.

SECTION 8. *Roles of Government Agencies.* – The program shall involve the national government agencies and instrumentalities with the following roles:

- a) The DSHUD shall:
 - 1) Coordinate with housing agencies to formulate program targets and integrate these to the national housing policy;
 - 2) Promulgate appropriate housing policies among the attached corporations of the DSHUD in line with the implementation of this program;
 - 3) Enlist beneficiaries and their lessors for the program;
 - 4) Set up monitoring and evaluation system, tools, 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 on the Urban Poor (PCUP), and the local government units; and
 - 5) Recommend to Congress measures for the proper and responsive implementation of this Act.
- b) The National Housing Authority (NHA) shall:
 - 1) Certify the eligibility of the beneficiaries under the program;
 - 2) Coordinate with infrastructure program implementing agencies, including but not limited to the Department of Public Works and Highways (DPWH) and the Department of

- Transportation (DOTr) for the identification of areas of housing for persons who need immediate resettlement;
- 3) Update the alphalist and socio-economic profiles of beneficiaries to be resettled as part of the National Resettlement Program; and
 - 4) Design and conduct appropriate monitoring and evaluation of the implementations of this program, which shall include a grievance and redress system.
- c) The Home Development Mutual Fund (HDMF) shall enroll the beneficiaries in the HDMF system so as to facilitate their entry into the formal housing market.
- d) The DSWD shall:
- 1) Design the social preparation activities and form and conduct workshops and training programs to ensure that beneficiaries are aware of the benefits of the program, including the parameters and conditions for eligibility.
- e) The PCUP shall:
- 1) Assist the DSWD in the design of social preparation activities, workshops, and training programs for beneficiaries;
 - 2) Conduct social preparation activities with the local government units.
- f) The Technical Education and Skills Development Authority (TESDA) shall provide skills training to beneficiaries and facilitate job placement.
- g) The local government units shall:
- 1) Maintain a publicly accessible register of lessors in their respective areas of jurisdiction;
 - 2) Assist the NHA in conducting census and tagging of ISBs in need of immediate resettlement;
 - 3) Assist the DSWD and PCUP in conducting social preparation activities;
 - 4) Contain the vacated areas of ISBs to help achieve the objectives of this program;
 - 5) Assist the DSWD in monitoring and evaluating the implementation of this program; and
 - 6) Conduct field valuation of beneficiaries and their respective lessors with DSWD in the rental housing units.

SECTION 9. *Additional Positions and Personnel for the DSHUD.* – For purposes of this Act, the DSHUD shall, in accordance with pertinent civil service rules, create positions and enlist additional personnel to ensure the proper and appropriate implementation of the program under this Act.

SECTION 10. *Appropriations.* – The amount necessary for the effective implementation of this Act shall be charged against the current

appropriations for the DSHUD. Thereafter, such amounts as necessary for its continued implementation shall be included in the General Appropriations Act.

SECTION 11. *Implementing Rules and Regulations (IRR).* – The DSHUD, in coordination with relevant government agencies, shall issue rules, regulations, and guidelines necessary to carry out the implementation and purposes of this Act within six (6) months from the date of effectivity.

SECTION 12. *Mandatory Review on the Implementation of this Act.* – The DSHUD shall submit to Congress a report on the implementation of this program at the end of the second (2nd) year from the date of effectivity and every two (2) years thereafter.

SECTION 13. *Separability Clause.* – If any provision of this Act shall be declared unconstitutional or invalid, such declaration shall not invalidate other parts thereof which shall remain in full force and effect.

SECTION 14. *Repealing Clause.* – All laws, executive orders, presidential decrees or issuances, letters of instruction, administrative orders, rules, and regulations contrary to or inconsistent with the provisions of this Act are hereby repealed, amended, or modified accordingly.

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

Approved,