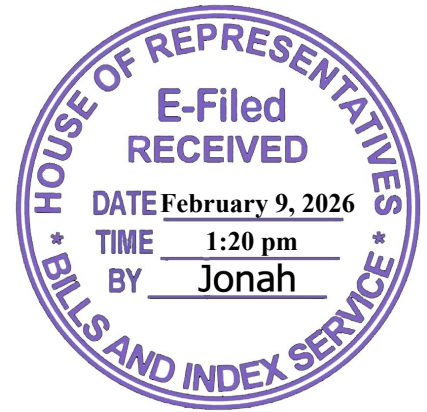


Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City, Metro Manila

TWENTIETH CONGRESS
First Regular Session

HOUSE BILL NO. 7658



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

EXPLANATORY NOTE

Article II, Section 9 of the 1987 Constitution requires the State to “promote a just and dynamic social order” that is inclusive, “free[ing] 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.” I Corollarily, Section 10 of the same Article directs the State to “promote social justice in all phases of national development.”

The Philippines is among the most disaster-prone countries in the world. Each year, millions of Filipinos are affected by typhoons, floods, earthquakes, and other natural calamities, which often result in loss of life, destruction of homes and livelihoods, prolonged displacement, and severe disruption of basic services. In the immediate aftermath of such calamities, affected households are compelled to prioritize basic survival needs, while continuing to face financial obligations that may no longer be reasonably met.

Experience has shown that timely and targeted government intervention is crucial in mitigating the economic burden borne by disaster-affected families. During periods of national emergency, the government has previously enacted measures granting temporary relief from financial obligations, including payment moratoria, in order to cushion vulnerable sectors from sudden economic shocks and prevent further deterioration of living conditions. These measures underscore the State’s capacity and responsibility to balance economic stability with social protection in extraordinary circumstances.

However, while similar relief mechanisms have been provided for loan obligations in past emergencies, residential utility services such as electricity, water, and other basic utilities remain indispensable for human dignity, health, and safety, particularly during and after calamities. The uninterrupted access to these services is essential for recovery, rehabilitation, and the restoration of normalcy in affected communities.

This bill seeks to institutionalize a mandatory moratorium on the payment of residential utility bills during a declared state of calamity, in recognition of the extraordinary hardships faced by households during such periods. Specifically, the measure provides for: 1) a mandatory moratorium on all residential utility bills for the first three (3) months of a state of calamity; 2) the authority to extend the moratorium beyond the initial three (3) months, subject to the determination of the

President or the appropriate local Sanggunian; and 3) the settlement of deferred utility obligations through installment payments, without interest, to commence one (1) month after the lifting of the state of calamity.

By affording temporary relief from utility payments, this measure aims to protect disaster-affected households from immediate financial distress, support their recovery efforts, and uphold the State's constitutional duty to promote social justice and human welfare, especially in times of crisis.

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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TWENTIETH CONGRESS
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HOUSE BILL NO. 7658

Introduced by **ANG PROBINSYANO**
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AN ACT
INSTITUTIONALIZING AN INSTALLMENT PAYMENT SCHEME ON BASIC
UTILITY BILLS DURING CALAMITIES, 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 “Calamity Payment Scheme for Utilities Act”

SECTION 2. *Declaration of 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, whether natural or man-made.

SECTION 3. *Coverage.* – The law shall cover all residential electric, water, communication, and connectivity bills, and shall apply when a state of calamity is declared.

SECTION 4. *Declaration of State of Calamity.* – The declaration by the President of the Philippines or the local *Sanggunian*, as the case may be, of a state of calamity in accordance with Section 16 of Republic Act No. 10121 otherwise known as “*Philippine Disaster Risk Reduction and Management Act of 2010*”, and the lifting thereof shall be the basis for the effectivity of the socio-economic amelioration measures provided under Sections 5 and 6 of this Act.

SECTION 5. *Moratorium on the First Three (3) Months of a State of Calamity.* – There shall be a moratorium on all residential utility bills for three (3) months following the date of declaration of a state of calamity. Holders of public utility franchises and all service providers are prohibited from exacting payment or from disconnecting the service due to non-payment during the entire duration of the moratorium. *Provided*, That nothing in this section shall prevent voluntary payment by customers. *Provided further*, that the moratorium shall be lifted simultaneously when the state of calamity is lifted within three (3) months from the date of its declaration.

SECTION 6. *Moratorium After the First Three (3) Months of State of Calamity.* - If the state of calamity persists beyond three (3) months following the date of its declaration, the President or the local *Sanggunian*, as the case may be, is hereby authorized to exercise discretion to determine if a need exists to extend the

moratorium and impose such other necessary and applicable measures. *Provided*, That nothing in this section shall prevent voluntary payment by customers.

SECTION 7. *Installment Payment for the Deferred Liability.* – Any amount due and demandable during the moratorium period of three (3) months 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.

The President or the local *sanggunian*, as the case may be, is hereby authorized to determine the payment schedule for the moratorium period beyond the first three (3) months provided under Section 6 of this Act. *Provided*, That each month of deferred liability shall be payable in not less than two (2) installments.

SECTION 8. *Penalty.* – Public utility franchise holders and service providers found in violation of this law shall be punishable with a fine of not less than Five Hundred Thousand Pesos (P500,000.00) and not more than One Million Pesos (P1,000,000.00) per infraction.

SECTION 9. *Implementation.* – This law shall be implemented by the public utility regulatory agencies concerned, such as the Metropolitan Waterworks and Sewage System, Local Water Utilities Administration, National Telecommunications Commission, Energy Regulatory Commission, and the National Electrification Administration.

SECTION 10. *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 11. *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 12. *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,