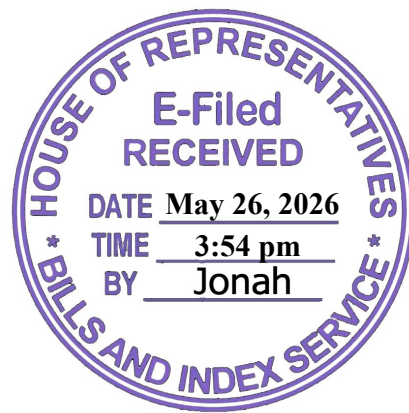




Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City, Metro Manila

TWENTIETH CONGRESS
First Regular Session

HOUSE BILL NO. 9454



Introduced by **Representative EDUARDO R. RAMA JR.**

EXPLANATORY NOTE

The Philippines continues to face a housing challenge. Although estimates vary, studies consistently indicate that the number of informal settler families (ISFs) has long exceeded one million and continues to rise annually. The UN-Habitat estimated that the country had 3.7 million ISFs in 2022.¹ In Metro Manila alone, 596,308 ISFs occupied 3,447.93 hectares of land in 2024.²

This persistent challenge is being compounded by the housing backlog and limited access to affordable housing. As of December 2022, the country's unmet housing needs had reached 6.66 million units.³ A 2022 study by the Philippine Institute for Development Studies (PIDS) found that low-income households cannot afford housing at 30% of their income.⁴

Moreover, the PIDS study underscored that housing policies and projects catering to the poor are more evident in LGUs with functioning Local Housing Boards (LHBs), particularly those that uphold more responsive representation, transparency, and openness in addressing the housing needs of the marginalized families. The study recommended that, to be fully functional and effective, LHBs must be provided financial support through a socialized housing fund. It further emphasized the need for LHBs to be involved not only in addressing informal settlements, but in the broader decision-making process for city-wide shelter and land use planning.

The 1987 Philippine Constitution recognizes the invaluable role of the private sector in public governance. It encourages the participation of non-governmental, community-based, and sectoral organizations, while emphasizing the State's duty to facilitate adequate consultation mechanisms.⁵

Consistent with the cited studies, policy recommendations, and constitutional principles, this bill seeks to institutionalize LHBs in all local government units (LGUs) to ensure a coordinated, responsive, and inclusive approach to housing. By defining their composition, powers, and funding mechanisms, the measure empowers LGUs to plan, regulate, and implement housing programs and services consistent with national and local development frameworks, while safeguarding the rights of informal settler families and strengthening multi-stakeholder participation in the housing sector.

Given the necessity of this Bill, its enactment is highly sought.

A stylized handwritten signature in black ink, consisting of a large, sweeping loop followed by a horizontal line.

REP. EDUARDO R. RAMA JR.

2nd District, Cebu City



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TWENTIETH CONGRESS
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HOUSE BILL NO. 9454

Introduced by **Representative EDUARDO R. RAMA JR.**

AN ACT
INSTITUTIONALIZING THE ESTABLISHMENT OF LOCAL HOUSING BOARDS
IN ALL LOCAL GOVERNMENT UNITS, PROVIDING FOR ITS POWERS AND
FUNCTIONS, AMENDING FOR THE PURPOSE REPUBLIC ACT NO. 7160,
OTHERWISE KNOWN AS THE LOCAL GOVERNMENT CODE OF 1991, AS
AMENDED

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

SECTION 1. *Short Title.* This Act shall be known as the “Local Housing Board Act.”

SECTION 2. *Declaration of Policy.* It shall be the policy of the State to establish a local government platform that shall ensure a timely and efficient response to the housing needs of the people.

In pursuit of this policy, the State shall:

- a. Adopt a just and humane socialized housing program that is aligned with the *National Housing and Urban Development Plan 2040* and integrated into the Comprehensive Land Use Plans (CLUPs) of cities and municipalities;
- b. Safeguard poor and marginalized families against evictions or demolitions carried out in violation of the law; and
- c. Promote and institutionalize representation of all stakeholders in the housing sector, including the private and public sectors, non-governmental, community-based, and sectoral organizations.

SECTION 3. *New Sections.* New sections denominated as Sections 105-A, 105-B, 105-C, 105-D, 105-E, 105-F, and 105-G under a new Title denominated as Title V-A are inserted after Section 105, Title V of Republic Act No. 7160, otherwise known as the Local Government Code of 1991, as amended, to read as follows:

“TITLE V-A.”
“LOCAL HOUSING BOARDS”

SECTION 105-A. Creation and Composition. There shall be created a Local Housing Board, hereinafter referred to as the Board, in every province, city, and municipality. The Board shall be constituted within sixty (60) days after the official assumption of local government officials. The composition of the Board shall be as follows:

a. Provincial Local Housing Board

Chairperson: Governor

Vice-Chairperson: Chairperson of the Sangguniang Panlalawigan

Committee on Housing and Urban Development, or its equivalent

Secretary: Provincial Planning and Development Coordinator (PPDC)

Members:

1. Provincial Engineer;
2. Provincial Social Welfare and Development Officer;
3. Provincial Assessor;
4. Regional Director of the Department of Human Settlements and Urban Development (DHSUD);
5. Provincial Director of the Department of the Interior and Local Government (DILG);
6. Regional Manager of the National Housing Authority (NHA);
7. Cluster Vice President of the Social Housing Finance Corporation (SHFC), i.e., Mega Manila, North Luzon, Central Luzon, South Luzon, Visayas, and Southeastern Mindanao, and Northwestern Mindanao;
8. Head of the satellite office or regional account servicing division, whichever is applicable, of the National Home Mortgage Finance Corporation (NHMFC);
9. Chief of Operations from the concerned Presidential Commission for the Urban Poor (PCUP) – Field Operations Division; and,
10. Three (3) private sector representatives (PSRs), subject to Section 105-B hereof.
11. Regional Director of the Department of Social Welfare and Development.

b. Highly Urbanized City (HUC) and Independent Component City Local Housing Board

Chairperson: Mayor or his duly appointed representative;

Vice-Chairperson: Chairperson of the Sangguniang Panlungsod

Committee on Housing and Urban Development, or its equivalent

Secretary: City Planning and Development Coordinator (CPDC)

Members:

1. City Engineer;
2. Building Official;
3. City Social Welfare and Development Officer;
4. City Assessor;
5. City Director of DILG
6. Regional Director of the DHSUD;
7. Regional Manager of the NHA;

8. Chief of Operations of the concerned PCUP – Field Operations Division; and,
9. Three (3) PSRs, subject to Section 105-B hereof.
10. Regional Director of the Department of Social Welfare and Development.

c. Component City/Municipal Local Housing Board

Chairperson: Mayor

Vice-Chairperson: Chairperson of the Sangguniang Panlungsod/ Sangguniang Bayan Committee on Housing and Urban Development, or its equivalent

Secretary: City/Municipal Planning and Development Coordinator (C/MPDC)

Members:

1. City/Municipal Engineer;
2. Building Official
3. City/Municipal Social Welfare and Development Officer;
4. City/Municipal Assessor;
5. City/Municipal LGOO of DILG
6. Two (2) PSRs, subject to Section 105-B hereof.

Boards of HUCs, independent component cities, component cities, and municipalities may invite the following during quarterly or special meetings to serve as resource persons:

1. Cluster Vice President of the SHFC; and
2. Head of the satellite office or regional account servicing division, whichever is applicable, of the NHMFC.

LGUs with existing local housing boards shall continue to operate and shall incorporate the provisions of this Title into their existing mandate.

SECTION 105-B. Private Sector Representatives (PSRs). The PSRs shall be selected from organizations created or formed by the private sector for the purpose of socio-economic development, including people's organizations and non-government organizations, subject to the following qualifications:

- a. The organization must be registered with the Securities and Exchange Commission for the purpose of bestowing legal personality.
- b. The organization must be in operation for at least five (5) years and has substantially completed programs and projects within the LGU. These programs and projects include research, consultancy, charities, and/or hard physical projects involving housing.
- c. The organization must be organized through private initiative and must not have any government official or employee as a member. The organization must not be funded through government or any government-related financial support.
- d. For the purpose of encouraging technology transfer, the LGU may invite international organizations as members, provided that all of the above three criteria are satisfied, and the organization/s vision aligns with the objectives of the approved Local Shelter Plan (LSP).

Upon selection, the PSRs shall represent not their private sector organization but the interests of the LGU's housing sector, as a whole.

The term of office of the PSRs shall coincide with the regular term of local elective officials. The DILG shall issue guidelines on the selection of PSRs.

SECTION 105-C. Powers and Functions. The Provincial Local Housing Board shall have the following powers and functions:

- a. Formulate, develop, and recommend to the Sanggunian policies, directives, rules, and regulations, consistent with law, as may be necessary, regarding the provision of socialized housing programs and the protection of the rights of informal settlers to just and humane evictions and demolitions;
- b. Consolidate the housing data of all cities and municipalities under its jurisdiction, based on LSPs, for submission to the DHSUD Regional Office;
- c. Designate at least one (1) representative to the local development council: *Provided*, That such representative is not already a member of the council;
- d. Recommend to the Sanggunian the sites for socialized housing that comply with the requirements prescribed under Section 8 of Republic Act No. 7279, or the Urban Development and Housing Act of 1992 (UDHA), as amended, and the guidelines issued for the purpose;
- e. Advise the Sanggunian on matters of local taxation that may affect local government housing programs or projects, including, but not limited to, the formulation of a socialized housing tax, and idle land tax;
- f. Recommend schemes for the acquisition and disposition of lands within their localities for socialized housing purposes, subject to Sections 9 to 14 of RA No. 7279 and its implementing guidelines: *Provided*, That such schemes ensure that the valuation of lands for socialized housing purposes is within levels affordable to prospective beneficiaries, including those below the poverty threshold;
- g. Recommend partnership arrangements with the national government on the provision of decent and affordable shelter;
- h. Act on matters necessary to address the high housing needs of cities/municipalities within their jurisdictions, particularly those with housing needs, provided that they coordinate with DHSUD Regional Office on large-scale housing needs requiring multi-LGU action;
- i. Ensure timely and accurate survey estimates of informal settler families living within their jurisdiction, and submission of a complete report on the ISF estimates by concerned LGU offices to the DHSUD and DILG regional and provincial offices;
- j. Maintain a running list of contractor performances in past and ongoing housing projects implemented within the LGU's jurisdiction, to be used as basis for evaluating project bidders during contractor procurement subject to RA 9184 procurement guidelines;
- k. Through the local chief executive, submit to the President and the Congress of the Philippines an annual report, as provided by Section 41 of RA No. 7279, as amended;
- l. Coordinate with the Regional Development Councils on aligning priority local housing programs and projects with the overall regional development thrusts, and on matters relating to the housing sector, particularly those requiring action from multiple government agencies or offices;

- m. Coordinate with the Local Project Monitoring Committees on the monitoring and evaluation of housing projects, and provide decisions, when necessary, as recommended by its members;
- n. Coordinate with the Urban Poor Affairs Office, or its equivalent, to ensure the accurate and timely updating of the registration of informal settler families, and to integrate the list of beneficiaries into priority local housing projects; and
- o. Perform other related functions as may be established by law or ordinance, that are necessary to implement the mandate of LGUs under the UDHA.

Boards of HUCs, independent component cities, component cities and municipalities shall have the same above-mentioned powers and functions of the Provincial Housing Boards, except for items (b) and (h). In addition, they shall undertake the following:

- a. With the assistance of the DHSUD and other concerned government agencies, prepare the mid-term and long-term LSP, which shall form part of the bases of the Comprehensive Development Plan (CDP): *Provided*, That such plan shall be consistent with the city/municipal CLUP: *Provided further*, That public hearings shall be conducted for the purpose;
- b. Ensure proper disposition of socialized housing projects in compliance with R.A. No. 7279, as amended;
- c. Review and endorse for approval of appropriate office/s preliminary and final subdivision schemes and development plans of all economic and socialized housing projects, including joint LGU-developer projects, and projects that require individual or group building occupancy permits covered by Batas Pambansa Blg. 220 and its implementing rules and regulations; and
- d. Recommend to the Sanggunian necessary sets of standards and/or requirements for all housing types, including socialized, economic, medium, and open market, in order to ensure that housing projects are aligned with the city/municipality's long-term development objectives and land use, and to promote the city/municipality's cultural identity through placemaking.

SECTION 105-D. Secretariat. The local planning and development office shall serve as the secretariat of the Board. LGUs may create, as necessary, a unit within their Planning and Development Office for the purpose of providing Secretariat functions to their LHBs.

The Secretariat shall have the following functions:

- a. Provide overall administrative, technical, and operational support to the Board;
- b. Prepare the agenda and discussion materials of the Board's meetings;
- c. Disseminate Board resolutions to concerned agencies, offices, private organizations, and/or other government instrumentalities and ensure these are implemented/acted upon;
- d. Conduct the selection of PSRs based on the guidelines prescribed by the DILG;
- e. Determine the annual funding requirements of the Board, and ensure timely submission to the Local Finance Committee for inclusion in the Local Expenditure Program which will be submitted to the Sanggunian for approval;

- f. Upon request of the concerned barangay, provide technical and administrative assistance in addressing housing concerns;
- g. Serve as the Board's property custodian; and
- h. Perform such other functions as may be required by the Board.

SECTION 105-E. Funds for the Operation of the Local Housing Board and Creation of Local Shelter Fund. The LGU shall allocate a portion of its regular funds to cover the expenses for the meetings and regular operations of the Board.

The Board shall establish a Local Shelter Fund to finance its activities beyond its meetings, including advocacies, consultations, and other essential undertakings for the housing sector. The LGU shall allocate 0.5% of the combined income from Real Property Tax and idle lands tax for the Local Shelter Fund. The Board shall be responsible for managing the Local Shelter Fund. The DHSUD, in consultation with the DILG, shall formulate guidelines for the utilization of the Local Shelter Fund.

SECTION 105-F. Generation and Mobilization of Resources. For the purpose of advising the Local Development Council (LDC) on matters relating to the sourcing of funds for socialized housing, the Board may recommend the following schemes for financing socialized housing projects:

- a. Build-operate-transfer and other related schemes;
- b. Bond flotation and other credit financing arrangements;
- c. Availment of foreign or local grants: *Provided*, That LHBs are hereby authorized to receive foreign and local grants, which shall be remitted to the local treasury, and be credited to the socialized housing account of the concerned LGU;
- d. Loan packages from government financing/lending institutions;
- e. Joint venture projects with private sector groups or developers, as well as with NGOs and POs; and,
- f. Pooling of resources among LGUs, the private sector, NGOs, and POs.

SECTION 105-G. Meetings and Quorum. The Board shall hold meetings at least once every quarter, and as often as may be deemed necessary. The presence of the Chairperson and a majority of the members of the Board shall constitute a quorum. Special meetings may be called by the Chairperson or by a majority of the members when warranted. Decisions shall be reached by the Board through a simple majority: *Provided*, That at least one (1) of the member PSRs is present.

A written notice stating the date, time, place, and agenda of the meeting shall be sent to each member of the Board at least one (1) week prior to the scheduled meeting, or at least three (3) days before, if it is a special meeting.

SECTION 105-H. Socialized Housing Program. Based on the LDC-approved Local Shelter Plan, the Board shall formulate the Local Housing Program, which shall include a list of projects that the LGU will implement within three (3) years.

SECTION 4. *Transitory Provisions.* Local chief executives of provinces, cities, and first- to third-class municipalities shall constitute their respective Boards within ninety (90) days from the promulgation of the implementing rules and regulations of this Act. Local chief executives of fourth- to sixth-class municipalities shall be given a period of one (1) year from the promulgation of the implementing rules and regulations of this Act to constitute their Boards. Failure to constitute the Board within this prescribed period shall be deemed prima facie evidence of unjustified failure or refusal to do so.

Cities and municipalities with existing LHBs or similar entities are hereby given ninety (90) days from the promulgation of the implementing rules and regulations of this Act to conform with the provisions of this Act: *Provided*, That nothing herein shall preclude provinces, cities, and municipalities from designating additional functions and/or appropriating additional funds to achieve the objectives of this Act.

SECTION 5. *Implementing Rules and Regulations.* Within sixty (60) days after the approval of this Act, the DHSUD and the DILG, in consultation with the concerned government agencies, the private sector, POs, and NGOs, shall formulate the appropriate rules and regulations necessary to effectively implement any or all the provisions of this Act.

SECTION 6. *Repealing Clause.* All laws, decrees, executive orders, proclamations, rules and regulations, and other issuances, or part or parts thereof, which are inconsistent with the provisions of this Act are hereby repealed or modified accordingly.

SECTION 7. *Separability Clause.* If, for any reason, any provision of this Act is declared invalid or unconstitutional, the remaining provisions of this Act shall continue to be in force and effect.

SECTION 8. *Effectivity.* — This Act shall take effect fifteen (15) days after its publication in the Official Gazette or a newspaper of general circulation.

Approved,