

Republic of the Philippines
HOUSE OF REPRESENTATIVES
Constitution Hills, Quezon City

TWENTIETH CONGRESS
Second Regular Session

House Bill No. **11244**



Introduced by: **REPRESENTATIVE ERIC L. OLIVAREZ**

EXPLANATORY NOTE

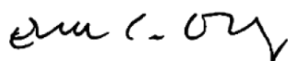
Public school teachers play a vital role in educating the Filipino youth and advancing national development. Many teachers, however, continue to face difficulties in securing decent, safe, affordable, and accessible housing, particularly those assigned to remote, underserved, and geographically isolated and disadvantaged areas.

This measure seeks to establish a *Public School Teachers' Housing Program* that will provide qualified teachers with access to government-built and near-site housing, subsidized housing loans, rent-to-own arrangements, down-payment and rental assistance, housing construction financing, and other appropriate housing assistance.

The bill also creates a *Public School Teachers' Housing Fund* and a *Public School Teachers' Housing Program Council* to ensure coordinated implementation, sustainable financing, transparent beneficiary selection, and proper monitoring of the Program.

By providing teachers with affordable and secure housing, the State can strengthen their economic security and welfare while helping ensure that they remain able to serve effectively in schools and communities throughout the country.

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


ERIC L. OLIVAREZ

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“AN ACT
INSTITUTING A COMPREHENSIVE HOUSING PROGRAM FOR
PUBLIC SCHOOL TEACHERS, PROVIDING FOR GOVERNMENT-
BUILT HOUSING, SUBSIDIZED HOUSING FINANCING, RENT-
TO-OWN AND OTHER HOUSING ASSISTANCE PROGRAMS,
CREATING A PUBLIC SCHOOL TEACHERS' HOUSING FUND,
PROVIDING FUNDS THEREFOR, AND FOR OTHER PURPOSES”

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 “*Public School Teachers’ Housing Program Act.*”

SECTION 2. Declaration of Policy. - It is the policy of the State to recognize and promote the vital role of public school teachers in national development and to protect and enhance their welfare, dignity, economic security, and quality of life.

Towards this end, the State shall establish a comprehensive, sustainable, affordable, and accessible housing program for qualified public school teachers, particularly those who do not own adequate housing, those assigned in geographically isolated and disadvantaged areas, remote or underserved communities, and those who experience significant housing affordability constraints.

The Program shall be implemented consistent with Republic Act No. 11201, or the “Department of Human Settlements and Urban Development Act,” Republic Act No. 12216, or the “National Housing Authority Act,” Republic Act No. 7279, as amended, including by Republic Act No. 10884, and Republic Act No. 9679, or the “Home Development Mutual Fund Law of 2009,” and other applicable housing, land use, budgeting, procurement, taxation, auditing, and public financial management laws, rules, and regulations.

SECTION 3. Establishment of the Public School Teachers' Housing Program. – There is hereby established a Public School Teachers' Housing Program, hereinafter referred to as the “Program”, which shall provide qualified public school teachers with access to decent, safe, affordable, and adequately serviced housing.

The Department of Human Settlements and Urban Development (DHSUD) shall serve as the lead government agency for housing policy, planning, coordination, regulation, and monitoring of the Program, consistent with Republic Act No. 11201.

The Department of Education (DepEd) shall identify and validate qualified teacher-beneficiaries and assist in determining their housing needs.

The National Housing Authority (NHA) shall undertake housing development and other housing operations under the Program consistent with Republic Act No. 12216 and the policies and standards of the DHSUD.

The Home Development Mutual Fund (Pag-IBIG Fund) shall provide and administer housing financing under the Program consistent with Republic Act No. 9679, its charter, and applicable rules and regulations.

SECTION 4. Coverage. - This Act shall apply to qualified public school teachers employed in public elementary, junior high school, and senior high school institutions under the jurisdiction of the Department of Education (DepEd)s.

For purposes of this Act, a qualified public school teacher shall refer to a teacher who:

- (a) is a Filipino citizen;
- (b) holds a permanent or regular appointment as a public school teacher under the Department of Education;
- (c) meets the applicable income, housing, financing, and other eligibility requirements prescribed under this Act and its implementing rules and regulations; and
- (d) has not been determined to have committed fraud or misrepresentation in connection with any government housing program.

The implementing rules and regulations may provide appropriate eligibility requirements for newly appointed permanent teachers and other

teacher categories when warranted by the availability of funds and housing units.

SECTION 5. Priority Beneficiaries. - In the allocation of housing units, financing assistance, subsidies, and other benefits under the Program, priority shall be determined primarily on the basis of demonstrated housing need, with particular consideration given to qualified teachers who:

- (a) do not own a house and lot or other adequate residential property suitable for their family's needs;
- (b) are assigned to geographically isolated and disadvantaged areas (GIDAs), remote, underserved, or hard-to-reach communities;
- (c) are assigned to schools where adequate rental or housing facilities are not reasonably available;
- (d) belong to low-income or economically vulnerable households;
- (e) are paying rent that constitutes a substantial portion of household income;
- (f) have served the public school system for a longer period, which may be considered as a secondary prioritization factor where applicants have substantially similar housing needs;
- (g) have dependents or family members whose housing needs are not otherwise adequately provided for; or
- (h) are otherwise determined by the Program Council to have demonstrated substantial housing need.

No qualified beneficiary shall be denied access solely on the ground that the teacher is assigned outside his or her place of permanent residence, provided that all other eligibility requirements are satisfied.

SECTION 6. Components of the Program. - The Program shall include, but shall not be limited to, the following:

- (a) Government-Built Housing Projects. - The NHA, in coordination with DHSUD and DepEd, shall identify, acquire, develop, or utilize suitable government-owned or otherwise legally available land for the construction of housing units, subdivisions, medium-rise buildings, condominium-type developments, or other appropriate residential projects for qualified teacher-beneficiaries.

Priority shall be given to sites that are reasonably accessible to public schools, employment centers, transportation, health facilities, markets, water supply, electricity, sanitation, and other essential public services.

- (b) Near-Site and Strategic Teacher Housing. - Where appropriate and legally feasible, housing projects may be established near public

schools or within reasonable commuting distance thereof, particularly in areas where teachers face significant transportation or housing difficulties.

- (c) Subsidized Housing Loans. - The Pag-IBIG Fund shall establish or maintain a dedicated housing financing window for qualified public school teachers, subject to its charter, applicable laws, actuarial requirements, and implementing regulations.

Subject to the availability of appropriated funds, the Government may provide an interest-rate subsidy or other financing support to qualified beneficiaries to enable them to obtain housing loans at a preferential interest rate of not more than three percent (3%) per annum, subject to applicable loan ceilings, repayment capacity, and program guidelines.

- (d) Housing Construction and Improvement Loans. - Qualified beneficiaries who already own a legally acceptable residential lot may be provided access to subsidized financing for the construction, completion, repair, or substantial improvement of a dwelling.

- (e) Rent-to-Own Housing. - Government-built housing units may be offered under a rent-to-own arrangement for qualified beneficiaries who cannot immediately meet the required equity or down payment.

Under such arrangement, a portion of rental payments may, as determined under the implementing rules and regulations, be credited toward the acquisition price of the housing unit.

- (f) Down-Payment and Equity Assistance. - Subject to the availability of appropriations, qualified low-income beneficiaries may be provided assistance for the required equity, down payment, or other initial housing costs.
- (g) Rental Assistance. - Subject to available funds and implementing guidelines, temporary rental assistance may be provided to qualified teachers assigned to GIDAs, remote areas, high-cost areas, or locations where adequate affordable housing is not reasonably available.
- (h) Acquisition of Existing Housing Units. - The Program may provide financing assistance for the acquisition of existing residential units that comply with applicable standards and requirements.

- (i) Public-Private Partnerships. - The Government may enter into appropriate public-private partnerships with qualified developers, housing cooperatives, financial institutions, and other private entities for the development, financing, construction, or management of housing projects under the Program.
- (j) Other Housing Assistance. - Other appropriate housing assistance mechanisms authorized by law may be established by the Program Council to respond to local housing conditions and the particular needs of qualified teacher-beneficiaries.

SECTION 7. Government Land for the Program. - The DHSUD, in coordination with the NHA, DepEd, and other concerned government agencies, shall conduct an inventory and assessment of government-owned lands that may legally and suitably be utilized for the Program.

Government land may be utilized for the Program only when:

- (a) it is legally available or may lawfully be made available for housing purposes;
- (b) it is not required for essential government operations or public purposes;
- (c) its use is consistent with applicable land use, zoning, environmental, safety, and building regulations;
- (d) it is suitable for residential development or can reasonably be made suitable; and
- (e) the necessary authority, transfer, lease, usufruct, or other legal arrangement for its use has been secured.

The utilization, transfer, lease, usufruct, disposition, or development of government-owned lands under this Section shall remain subject to existing laws, rules, regulations, and constitutional requirements governing government property.

SECTION 8. Teacher Housing Projects and Standards. - All housing projects established under this Act shall, to the extent practicable, provide:

- (a) safe and structurally sound housing units;
- (b) access to potable water and adequate sanitation;
- (c) electricity and appropriate drainage;
- (d) roads and transportation access;
- (e) adequate open and community spaces;
- (f) access to schools, health facilities, markets, and other essential services; and

- (g) resilience measures appropriate to the area's exposure to natural hazards, including flooding, earthquakes, typhoons, landslides, and other disasters.

Housing units shall comply with applicable national and local housing, building, environmental, fire safety, and accessibility standards.

SECTION 9. Preferential Housing Financing and Interest Subsidy.

- To make housing financing affordable to qualified public school teachers, the Government shall provide an interest-rate subsidy to qualified loans granted under the Program.

The subsidy shall be designed to enable qualified beneficiaries to obtain financing at a preferential rate of not more than three percent (3%) per annum, subject to the availability of appropriations and such loan ceilings, income limits, repayment periods, and other conditions as may be prescribed in the implementing rules and regulations.

The interest-rate subsidy shall cover only the amount necessary to reduce the applicable interest rate to the preferential rate prescribed under this Section and shall not constitute a waiver of principal, fees, insurance premiums, taxes, or other lawful charges unless expressly authorized.

The subsidy shall be funded from appropriations specifically authorized for the purpose and shall be administered in a manner that does not impair the financial sustainability, actuarial soundness, or statutory investment requirements of the Pag-IBIG Fund.

The subsidy shall be administered in a transparent manner and shall not impair the financial sustainability of the Pag-IBIG Fund.

The maximum repayment period for qualified housing loans under the Program may be extended to thirty (30) years, subject to the applicable rules of the Pag-IBIG Fund and the borrower's capacity to pay.

SECTION 10. Rent-to-Own Program. - The NHA, in coordination with DHSUD, DepEd, and Pag-IBIG Fund, shall establish a rent-to-own mechanism for qualified teacher-beneficiaries occupying housing units developed under the Program.

The implementing rules and regulations shall prescribe:

- (a) the rental rate;
- (b) the purchase price and valuation of the housing unit;
- (c) the portion of rental payments that may be credited toward the purchase price;

- (d) the maximum rental period before exercise of the purchase option;
- (e) maintenance and utility responsibilities;
- (f) consequences of default;
- (g) succession or transfer rules in cases of death or permanent incapacity; and
- (h) other terms necessary to protect both the Government and the beneficiary.

SECTION 11. Private Sector Participation and Incentives. - Qualified private developers, contractors, financial institutions, housing cooperatives, and other private entities may participate in the Program through public-private partnership arrangements, joint ventures, housing development agreements, financing arrangements, or other lawful mechanisms.

Housing projects that qualify as socialized housing under Republic Act No. 7279, as amended by Republic Act No. 10884, may avail of the incentives and benefits provided under such laws, subject to the applicable qualification, certification, development, and compliance requirements.

Nothing in this Act shall be construed as granting a tax exemption or incentive broader than that authorized under existing tax and housing laws.

SECTION 12. Public School Teachers' Housing Fund. - There is hereby created a Public School Teachers' Housing Fund, hereinafter referred to as the "*Housing Fund*," which shall be used exclusively to support the implementation of this Act.

The Housing Fund shall be maintained as a special account in the General Fund, unless otherwise authorized by law, and shall be administered in accordance with existing budgeting, accounting, auditing, procurement, and public financial management laws, rules, and regulations.

The Housing Fund may be used for:

- (a) site development and housing construction;
- (b) interest-rate subsidies;
- (c) down-payment and equity assistance;
- (d) rent-to-own subsidies;
- (e) rental assistance for qualified beneficiaries;
- (f) housing-related infrastructure;
- (g) feasibility studies, planning, design, and technical assistance;
- (h) monitoring and evaluation;
- (i) assistance for housing cooperatives and community-based housing initiatives; and

- (j) other expenses directly necessary for the implementation of the Program.

The Housing Fund shall be administered in accordance with existing budgeting, accounting, auditing, procurement, and public financial management laws, rules, and regulations.

SECTION 13. Sources of the Housing Fund. - The Housing Fund shall consist of:

- (a) appropriations authorized under the General Appropriations Act;
- (b) appropriations specifically authorized by subsequent laws;
- (c) grants, donations, and contributions from domestic or foreign sources, subject to existing laws and government accounting and auditing rules;
- (d) income or proceeds from Program activities, to the extent authorized by law and subject to existing budgeting, accounting, and auditing laws, rules, and regulations;
- (e) contributions from participating government agencies, subject to existing laws; and
- (f) such other sources as may be authorized by law.

SECTION 14. Public School Teachers' Housing Program Council. - There is hereby created a Public School Teachers' Housing Program Council, hereinafter referred to as the "*Program Council*," which shall provide policy direction and inter-agency coordination for the implementation of this Act.

The Program Council shall be composed of:

- (a) the Secretary of Human Settlements and Urban Development, as Chairperson;
- (b) the Secretary of Education, as Vice Chairperson;
- (c) the General Manager of the National Housing Authority;
- (d) the President of the Home Development Mutual Fund or his or her authorized representative;
- (e) the Secretary of Budget and Management or his or her authorized representative;
- (f) the Secretary of Finance or his or her authorized representative;
- (g) one (1) representative from the Department of Public Works and Highways;

- (h) one (1) representative from the local government sector; and
- (i) two (2) representatives of recognized national organizations of public school teachers, who shall be designated by the Secretary of Education in consultation with such organizations.

The Program Council may invite representatives of other government agencies, local government units, housing cooperatives, financial institutions, private developers, and other stakeholders when necessary.

Members of the Program Council shall serve without additional compensation, except for reasonable actual and necessary expenses incurred in the performance of their official functions, subject to existing accounting and auditing rules.

SECTION 15. Powers and Functions of the Program Council. - The Program Council shall:

- (a) formulate the national policy and strategic framework for the Program;
- (b) establish uniform eligibility and prioritization standards;
- (c) determine annual housing targets and geographic priorities;
- (d) coordinate the identification and development of suitable housing sites;
- (e) establish mechanisms for the efficient administration of the Housing Fund;
- (f) coordinate housing financing and interest subsidies with the Pag-IBIG Fund;
- (g) develop standards for rent-to-own, rental assistance, and other housing programs;
- (h) facilitate public-private partnerships;
- (i) establish a centralized monitoring and beneficiary information system, subject to applicable data privacy laws;
- (j) prevent duplication of housing assistance and ensure equitable allocation of benefits;

- (k) monitor program implementation and utilization of funds; and
- (l) perform such other functions as may be necessary to accomplish the objectives of this Act.

SECTION 16. Role of the Department of Education. - The Department of Education shall:

- (a) establish and maintain a database of qualified teacher-beneficiaries, subject to applicable data privacy laws;
- (b) validate the employment status and service records of applicants;
- (c) assist in determining the housing needs of public school teachers;
- (d) identify schools and areas where teachers experience significant housing shortages or difficulties;
- (e) coordinate with DHSUD, NHA, Pag-IBIG Fund, and local government units in implementing the Program; and
- (f) perform such other functions as may be necessary under this Act and its implementing rules and regulations.

SECTION 17. Role of the Department of Human Settlements and Urban Development. - The DHSUD shall:

- (a) lead national housing policy planning, coordination, regulation, and monitoring coordination for the Program;
- (b) coordinate the identification of suitable housing sites;
- (c) establish appropriate housing and urban development standards;
- (d) facilitate coordination with local government units;
- (e) monitor compliance of housing projects with applicable housing laws and standards; and
- (f) perform such other functions as may be necessary for the implementation of this Act.

SECTION 18. Role of the National Housing Authority. - The NHA shall:

- (a) undertake or participate in the planning, development, construction, disposition, and management of government housing projects under the Program, consistent with Republic Act No. 12216 and policies and standards prescribed by the DHSUD;
- (b) assist in the development of suitable government-owned land;

- (c) implement approved housing projects in accordance with applicable laws and standards;
- (d) coordinate with local government units concerning site development and community facilities; and
- (e) perform such other functions as may be necessary under this Act.

SECTION 19. Role of the Pag-IBIG Fund. - The Pag-IBIG Fund shall:

- (a) establish a dedicated financing window for qualified teacher-beneficiaries, consistent with Republic Act No. 9679;
- (b) process and administer qualified housing loans under the Program;
- (c) coordinate with the Government concerning interest-rate subsidies;
- (d) provide financing for the acquisition, construction, completion, repair, or improvement of qualified housing;
- (e) establish appropriate loan products for rent-to-own and other Program components, subject to its charter and applicable laws; and
- (f) perform such other functions as may be authorized by law and necessary to implement the financing provisions of this Act.

SECTION 20. Local Government Unit Participation. - Local government units may participate in the Program through:

- (a) identification and provision of suitable land, subject to law;
- (b) assistance in securing necessary permits and clearances;
- (c) provision or facilitation of basic infrastructure and utilities;
- (d) provision of local housing and community development support;
- (e) coordination with national government housing programs; and
- (f) other appropriate forms of assistance authorized by law.

Local government units may enter into agreements with the national government and other Program partners for the implementation of teacher housing projects.

SECTION 21. Beneficiary Selection and Transparency. - The selection of beneficiaries shall be based on transparent, objective, and non-

discriminatory criteria established under this Act and its implementing rules and regulations.

The Program Council shall establish mechanisms to ensure that:

- (a) applicants are informed of eligibility requirements and selection criteria;
- (b) applications are processed within reasonable periods;
- (c) beneficiary lists are subject to appropriate verification;
- (d) fraudulent applications and multiple availment of substantially similar government housing benefits are prevented; and
- (e) qualified applicants may file an appeal or request for reconsideration in accordance with prescribed procedures.

SECTION 22. Monitoring, Evaluation, and Annual Report. - The Program Council shall establish a system for the continuous monitoring and evaluation of the Program. Within ninety (90) days after the end of every fiscal year, the Program Council shall submit to the President of the Philippines, the Senate, and the House of Representatives an annual report containing, among others:

- (a) the number and location of housing units completed and occupied;
- (b) the number of teacher-beneficiaries served;
- (c) the number and amount of housing loans approved and released;
- (d) the amount of interest subsidies and other assistance provided;
- (e) the number of rent-to-own beneficiaries;
- (f) the number of teachers benefiting from rental or down-payment assistance;
- (g) the utilization of the Housing Fund;
- (h) the geographic distribution of beneficiaries;
- (i) the remaining estimated housing needs of public school teachers; and
- (j) recommendations for improving the Program.

SECTION 23. Protection Against Displacement and Unjustified Eviction. - A beneficiary occupying a government-built housing unit under the Program shall not be unjustly or arbitrarily deprived of possession.

No beneficiary shall be evicted except for lawful grounds and pursuant to due process and the terms and conditions of the applicable housing agreement.

SECTION 24. Non-Transferability and Resale Restrictions. - Housing units acquired through substantial government subsidy under the Program shall be subject to restrictions on sale, transfer, assignment, lease, or encumbrance for such period as may be prescribed by the implementing rules and regulations, without prejudice to stricter restrictions provided under Republic Act No. 7279, as amended, and other applicable laws.

The implementing rules and regulations shall provide appropriate exceptions in cases of death, permanent disability, retirement, compulsory reassignment, or other circumstances that justify transfer or disposition, subject to the protection of public funds and the interests of the beneficiary.

SECTION 25. Coordination with Existing Housing Programs. - The Program shall be harmonized, to the extent practicable, with existing national government housing programs, financing facilities, socialized and economic housing programs, and other applicable housing laws and policies, including Republic Act No. 11201, Republic Act No. 12216, Republic Act No. 7279, as amended, and Republic Act No. 9679.

Nothing in this Act shall be construed as repealing or diminishing benefits available to public school teachers under existing laws, unless expressly provided herein.

A qualified teacher may avail of the Program and other government housing benefits only to the extent permitted by applicable laws and regulations and subject to rules against double or multiple subsidization for the same housing purpose.

SECTION 26. Implementing Rules and Regulations. Within ninety (90) days from the effectivity of this Act, the DHSUD, in coordination with the DepEd, NHA, Pag-IBIG Fund, DBM, DOF, LGUs, recognized national organizations of public school teachers, housing cooperatives, and other relevant stakeholders, shall promulgate the necessary implementing rules and regulations.

The implementing rules and regulations shall include, among others:

- (a) beneficiary eligibility and prioritization;
- (b) housing design and affordability standards;
- (c) loan ceilings and repayment terms;
- (d) interest-rate subsidy mechanisms, including the manner of computation, funding, release, monitoring, and termination of subsidies;

- (e) rent-to-own arrangements;
- (f) down-payment assistance;
- (g) rental assistance;
- (h) use and development of government land;
- (i) public-private partnership arrangements;
- (j) beneficiary selection and appeals;
- (k) monitoring and reporting;
- (l) restrictions on transfer and resale; and
- (m) such other matters necessary for the effective implementation of this Act.

SECTION 27. Appropriations. - The amount necessary for the initial implementation of this Act shall be charged against the appropriations of the DHSUD, DepEd, NHA, and other concerned agencies under the current General Appropriations Act, subject to existing budgeting, accounting, procurement, and auditing laws, rules, and regulations.

Thereafter, such sums as may be necessary for the continued implementation of this Act shall be included in the annual General Appropriations Act.

The inclusion of appropriations for the Program shall be consistent with the Medium-Term Fiscal Framework, national expenditure program, and other applicable fiscal and budgetary policies of the Government.

SECTION 28. Separability Clause. - If any provision of this Act is declared invalid or unconstitutional, the provisions not affected thereby shall remain in full force and effect.

SECTION 29. Repealing Clause. - All laws, decrees, executive orders, presidential issuances, rules and regulations, or parts thereof inconsistent with the provisions of this Act are hereby repealed, amended, or modified accordingly.

SECTION 30. Effectivity. - This Act shall take effect fifteen (15) days after its publication in the Official Gazette or in at least two (2) newspapers of general circulation.

Approved.