



HOUSE OF REPRESENTATIVES

H. No. 9082

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BY REPRESENTATIVES OLIVAREZ, ERIGUEL, CANAMA, ORTEGA (P.)  
AND ROBES, PER COMMITTEE REPORT NO. 1238

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AN ACT PROVIDING FOR FINANCIAL RELIEF TO VICTIMS OF  
CALAMITIES

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

1           SECTION 1. *Short Title.* – This Act shall be known as the  
2 “Financial Relief in Times of Calamities Act”.

3           SEC. 2. *Coverage.* – This Act applies to a person in an area  
4 declared under a state of calamity by the President of the  
5 Philippines or the local government unit (LGU) concerned through  
6 its local Sanggunian, and who has outstanding utility charges, loan,  
7 credit or any financial obligation from public or private utility  
8 companies and financial institutions.

9           All the benefits under this Act shall also apply to distribution  
10 utilities such as local water districts and electric cooperatives in  
11 terms of outstanding balances or loan obligations to financial or  
12 lending institutions.

13           SEC. 3. *Definition of Terms.* – As used in this Act:

14           (a) *Forbearance* refers to the act of refraining from  
15 proceeding against a delinquent debtor and giving further time for  
16 repayment of a debt or financial obligation;

1 (b) *Grace period* refers to the period during which payment  
2 is allowed to be received for a certain period of time after the actual  
3 due date. During this period, no late fees are charged and the late  
4 payment does not result in default or cancellation of the loan;

5 (c) *Moratorium* refers to the period during which the person  
6 or borrower is not required to pay outstanding or unpaid utility bill,  
7 loan, credit accommodation or financial obligation;

8 (d) *Person* refers to a natural or juridical person residing or  
9 operating any business in an area declared under a state of calamity  
10 by the President of the Philippines or the local government unit  
11 concerned through its local Sanggunian;

12 (e) *State of calamity* refers to a condition involving mass  
13 casualty and/or major damages to property, disruption of means of  
14 livelihoods, roads and normal way of life of people in the affected  
15 areas as a result of the occurrence of natural or human-induced  
16 hazard;

17 (f) *Utility* refers to water, electricity, gas, and  
18 telecommunications including telephone, internet and cable, as well  
19 as other similar services; and

20 (g) *Utility service provider* refers to a business organization,  
21 subject to government regulation, that provides or distributes an  
22 essential commodity or service such as water, electricity, gas, and  
23 telecommunications including telephone, internet and cable, as well  
24 as other similar services.

25 SEC. 4. *Moratorium, Forbearance and Grace Period.* – All  
26 persons covered under this Act shall be granted a moratorium or  
27 forbearance and be allowed a grace period of sixty (60) days from  
28 the cessation of the disaster in areas declared under a state of

1 calamity, to pay the utility bills which have fallen due during the  
2 time the area has been declared under a state of calamity.

3 A moratorium shall also be granted on the principal  
4 payments, accrual and collection of interests, penalties and  
5 surcharges on all loans, debts, credit accommodations or financial  
6 obligations of any kind from public or private financial institutions  
7 for a period of six (6) months from the time the area was declared  
8 under a state of calamity by the President of the Philippines or the  
9 LGU concerned through its local Sanggunian.

10 SEC. 5. *Violations and Penalties.* – Any violation of this Act  
11 shall subject the erring utility service provider, distribution utility,  
12 financial institution or private lender to a fine equivalent to five (5)  
13 times the interests, penalties and surcharges collected in violation  
14 of the provisions of this Act for the first offense; ten (10) times the  
15 amounts in interests, penalties and surcharges collected for the  
16 second offense; and suspension of the license to operate for the third  
17 and subsequent offense.

18 Upon final conviction by the appropriate court, the fines  
19 imposed under this Act shall be automatically applied to the  
20 principal loan balance of the borrower.

21 SEC. 6. *Implementing Rules and Regulations.* – Within sixty  
22 (60) days from the effectivity of this Act, the Department of Energy  
23 (DOE) shall, in coordination with the Energy Regulatory  
24 Commission (ERC), National Telecommunications Commission  
25 (NTC), National Disaster Risk Reduction and Management Council  
26 (NDRRMC) and the Department of the Interior and Local  
27 Government (DILG) with the various national leagues of local  
28 government units, issue and promulgate the implementing rules  
29 and regulations to carry out the provisions of this Act.

1           SEC. 7. *Separability Clause.* – If any provision of this Act or  
2 any portion thereof is declared unconstitutional by a competent  
3 court, the other provisions shall not be affected thereby and shall  
4 remain valid and enforceable.

5           SEC. 8. *Repealing Clause.* – All laws, decrees, executive  
6 orders, rules and regulations, or parts thereof which are  
7 inconsistent with this Act are hereby repealed, amended or modified  
8 accordingly.

9           SEC. 9. *Effectivity.* – This Act shall take effect fifteen (15)  
10 days after its publication in the *Official Gazette* or in a newspaper of  
11 general circulation.

Approved,

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