

'22 JUL -7 P4:54

NINETEENTH CONGRESS OF THE)
REPUBLIC OF THE PHILIPPINES)
First Regular Session)

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SENATE
S. No. 192

Introduced by Senator Christopher Lawrence "Bong" T. Go

AN ACT
ESTABLISHING THE RENTAL HOUSING SUBSIDY PROGRAM AND PROVIDING FUNDS THEREFOR AND FOR OTHER PURPOSES

EXPLANATORY NOTE

As provided under RA 7289 or the Urban Development and Housing Act, the State shall, by law and for the common good, undertake, in cooperation with the private sector, a continuing program of urban land reform and housing which will make available at affordable cost decent housing and basic services to underprivileged and homeless citizens in urban centers and resettlement areas.

Data from the Philippine Statistics Authority (PSA) shows that the poverty incidence among the population increased to 23.7% during the first half of 2021 from 21.1% in 2018. This translates to 3.9 million Filipino people living in poverty.¹

Being an archipelago, the Philippines is also frequently hit by seismic activities and visited by around 20 typhoons each year, destroying lives, livelihoods, and homes. In 2013, the country was struck by one of the most catastrophic typhoons in history, super typhoon Yolanda, which left behind families homeless.

¹ <https://neda.gov.ph/statement-on-the-2021-first-semester-official-poverty-statistics/>

In 2019, the Commission on Audit (COA) flagged the National Housing Authority (NHA) for incomplete intended housing for the victims of the said super typhoon. These homeless families are either living in temporary shelters, or worse, in the streets. However, this kind of situations may have been improved if not prevented.

Despite circumstances in social housing over the past years, it's not yet too late for the State to fulfill its mandate of providing adequate, sustainable, and habitable shelter for its people.

Under the proposed measure, a housing and social protection program will be developed that will provide disaster victims better and more affordable access to the formal housing market through the provision of rental subsidies provided by the government.

Thus, this bill seeks to address the plight of displaced families caused by various crises and calamities whether natural or man-made disasters, as well as those families who cannot afford or build their own homes.

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


SENATOR CHRISTOPHER LAWRENCE "BONG" T. GO

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

1 Section 1. *Short Title.* – This Act shall be known as the "Rental Housing Subsidy
2 Program Act of 2022."

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

- 4 a. Promote a just, equitable, and inclusive urban development through programs
5 providing adequate social services, broader housing options, livelihood and
6 employment, and an improved quality of life for the Filipino people, especially the
7 underprivileged;
- 8 b. Provide an innovative housing program providing affordable, livable, and decent
9 housing, as well as access to basic social services, especially for the
10 underprivileged;
- 11 c. Protect the urban poor from the impact of immediate dislocation due to eviction
12 and demolition arising from government projects; and

1 d. Provide for options for interim housing for dislocated families due to natural and
2 man-made disasters.

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

5 a. *Dislocation* – refers to the state of being displaced from one place to another due
6 to causes such as but not limited to eviction and demolition;

7 b. *Informal Settler Beneficiary (ISB)* – refers to individuals or households living under
8 any of the following conditions:

9 1. Where the individual or household is living in a danger area as determined
10 by the Department of Human Settlements and Urban Development
11 (DHSUD);

12 2. Where the individual or household is living in an area reserved or used for
13 government infrastructure projects;

14 3. Where the individual or household is living in an area which is classified as
15 a protected or forest area, except indigenous peoples;

16 4. Where the individual or household is living in an area declared as a priority
17 development area under Proclamation No. 1967, series of 1980, as
18 applicable; or

19 5. Where the individual or household is living on public lands, structures, or
20 facilities not intended for human habitation.

21

22 c. *Rental Housing Subsidy* – refers to the financial assistance provided by the
23 government to rent accommodation in the private rental market, the amount which

1 shall not exceed the rates as regulated under Republic Act No. 9653, otherwise
2 known as the "Rent Control Act."

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

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

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

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

21 *Sec. 5. Eligibility.* To be an eligible beneficiary under this Act, an individual or
22 household must:

23 a. Live under any of the conditions under Sec. 3, paragraph b, of this Act;

1 b. Have a source of livelihood or have at least one (1) member of the household
2 gainfully employed; and

3 c. Vacate the informal settlement area in which they are presently living and transfer
4 or relocate to a safer area.

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

8 a. The beneficiaries shall not move or relocate back to the area in which they were
9 originally living in unless such move or relocation has been permitted by the proper
10 government authorities taking into consideration the purpose of the program; and

11 b. The beneficiaries shall pay that portion of the rentals not subsidized under the
12 program to the lessor.

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

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

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

20 a. The DHSUD shall:

21 1. Coordinate with housing agencies to formulate program targets and
22 integrate these to the national housing policy;

- 1 2. Promulgate appropriate housing policies among the attached corporations
2 of the DHSUD in line with the implementation of this program;
- 3 3. Enlist beneficiaries and their lessors for the program;
- 4 4. Set up monitoring and evaluation system, tools, exit strategy, and
5 methodologies on compliance with conditions, implementation, output, and
6 impact assessments together with its attached agencies, the Department of
7 Social Welfare and Development (DSWD), the Presidential Commission on
8 the Urban Poor (PCUP), and the local government units; and
- 9 5. Recommend to Congress measures for the proper and responsive
10 implementation of this Act.

11 b. The National Housing Authority (NHA) shall:

- 12 1. Certify the eligibility of the beneficiaries under the program;
- 13 2. Coordinate with infrastructure program implementing agencies, including
14 but not limited to the Department of Public Works and Highways (DPWH)
15 and the Department of Transportation (DOTr) for the identification of areas
16 housing persons who are in need of immediate resettlement;
- 17 3. Update the alphalist and socio-economic profiles of beneficiaries to be
18 resettled as part of the National Resettlement Program; and
- 19 4. Design and conduct appropriate monitoring and evaluation of the
20 implementation of this program, which shall include a grievance and redress
21 system.

- 1 c. The Home Development Mutual Fund (HDMF) shall enroll the beneficiaries to the
2 HDMF system so as to facilitate their entry into the formal housing market.
- 3 d. The DSWD shall:
- 4 1. Design the social preparation activities and form and conduct workshops
5 and training programs to ensure that beneficiaries are aware of the benefits
6 under the program, including the parameters and conditions for eligibility.
- 7 e. The PCUP shall:
- 8 1. Assist the DSWD in the design of social preparation activities, workshops,
9 and training programs for beneficiaries;
- 10 2. Conduct social preparation activities with the local government units.
- 11 f. The Technical Education and Skills Development Authority (TESDA) shall provide
12 skills training to beneficiaries.
- 13 g. The local government units shall:
- 14 1. Maintain a publicly accessible register of lessors in their respective areas of
15 jurisdiction;
- 16 2. Assist the NHA in conducting census and tagging of ISBs in need of
17 immediate resettlement;
- 18 3. Assist the DSWD and PCUP in conducting social preparation activities;
- 19 4. Contain the vacated areas of ISBs to help achieve the objectives of this
20 program;

- 1 5. Assist the DSWD in monitoring and evaluating the implementation of this
2 program; and
- 3 6. Conduct field valuation of beneficiaries and their respective lessors with
4 DSWD in the rental housing units.

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

9 *Sec. 10. Appropriations.* – The amount necessary for the effective implementation
10 of this Act shall be charged against the current appropriations for the DHSUD. Thereafter,
11 such amounts as necessary for its continued implementation shall be included in the
12 General Appropriations Act.

13 *Sec. 11. Implementing Rules and Regulations.* – The DHSUD, in coordination with
14 relevant government agencies, shall issue rules, regulations, and guidelines necessary to
15 carry out the intent and purposes of this Act within six (6) months from date of effectivity.

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

19 *Sec. 13. Separability Clause.* – If any portion or provision of this Act is held
20 unconstitutional or invalid, the remaining provisions not affected thereby shall continue
21 to be in full force and effect.

1 Sec. 14. *Repealing Clause.* – All laws, executive orders, proclamations, rules,
2 regulations, and other issuances or parts thereof inconsistent with the provisions of this
3 Act are hereby repealed, amended, or modified accordingly.

4 Sec. 15. *Effectivity.* – This Act shall take effect fifteen (15) days following its
5 publication in the Official Gazette or in at least two (2) newspapers of general circulation.

Approved,