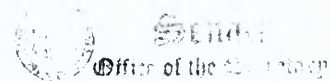


NINETEENTH CONGRESS OF THE)
REPUBLIC OF THE PHILIPPINES)
First Regular Session)



'22 JUL 13 AIO :12

SENATE

S. No. 463

RECEIVED BY

Introduced by SENATOR JINGGOY EJERCITO ESTRADA

**AN ACT
ESTABLISHING A RENTAL SUBSIDY PROGRAM FOR INFORMAL SETTLER
FAMILIES, APPROPRIATING FUNDS THEREFOR, AND FOR OTHER
PURPOSES**

EXPLANATORY NOTE

As articulated in Ambisyon Natin 2040 which provides a vision of the life of all Filipinos by the year 2040:

“Filipinos are comfortable: *maginhawa*. No one is poor, no one is ever hungry. **Filipino families live in comfortable homes with the desired amenities and secure tenure...**” [Emphasis supplied]

Today, many families live in unsafe shelters and in places not intended for human habitation due to poverty. Hundreds of Filipinos occupy danger areas such as esteros, garbage dumps, waterways and public places such as sidewalks and parks with the constant risk of being evicted and dislocated by human interventions or natural calamities. Some are also discouraged from entering the formal housing market due to perceived complicated procedures and numerous requirements.

This bill proposes a rental subsidy program to provide social protection and support to informal settler families in accessing the housing market. It is offered as an option to immediately address the temporary relocation of displaced families due to natural and man-made disasters. Considering the protracted process of land acquisition, site development, construction and program enrollment related to socialized housing projects, a temporary housing program and in-city resettlement

could offer a viable solution to urgently respond to the housing needs of the poorest sectors of the society.

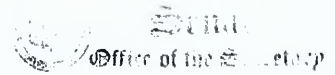
Under the subsidy program, financial assistance will be provided by the government to eligible program beneficiaries to rent accommodation in the private rental market, until the date of completion of the permanent housing project intended for them or upon their actual transfer to the permanent housing project.

Consistent with the Constitutional mandate of undertaking a housing program which will provide decent housing and basic services to the underprivileged and homeless citizens in urban centers, the immediate passage of this bill is recommended.



JINGGOY EJERCITO ESTRADA

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*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 “*Rental Housing Subsidy*
2 *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
5 programs providing adequate social services, broader housing options,
6 livelihood and employment, and an improved quality of life for the
7 Filipino people, especially the underprivileged;

8 (b) Provide an innovative housing program that makes available affordable,
9 livable, and decent housing, as well as access to basic social services,
10 especially for the underprivileged;

11 (c) Protect the urban poor from the impact of immediate dislocation due to
12 eviction and demolition arising from government projects and disasters;
13 and,

14 (d) Provide interim housing for dislocated families due to natural and man-
15 made disasters and calamities.

16 *Sec. 3. Definition of Terms.* – As used in this Act:

1 (a) *Dislocation* refers to the state of being displaced from one place to
2 another due to causes such as eviction and demolition.

3 (b) *Informal Settler Beneficiaries or ISB* refer to individuals or households
4 living in their own house or renting a dwelling unit:

- 5 i. without consent of the lot owner;
- 6 ii. in danger areas as defined under Republic Act No. 7279,
7 otherwise known as the "Urban Development and Housing Act of
8 1992";
- 9 iii. in government-owned land to be used for government
10 infrastructure projects;
- 11 iv. in protected forest areas except for indigenous peoples;
- 12 v. in areas of priority development as declared under Proclamation
13 No. 1967, series of 1980, if applicable; or
- 14 vi. in other government public lands or facilities not intended for
15 human habitation.

16 (c) *Lessee* shall refer to the person renting a residential unit.

17 (d) *Owner / lessor* shall include the owner, administrator, or agent of the
18 owner of the residential unit.

19 (e) *Rent* shall mean the amount paid for the use of occupancy of a
20 residential unit whether payment is made on a monthly or other basis.

21 (f) *Rental Housing Subsidy* refers to partial financial assistance provided by
22 the government to eligible program beneficiaries to rent accommodation
23 in the private rental market. The amount shall not exceed the rates as
24 regulated under Republic Act No. 9653, otherwise known as the "Rent
25 Control Act of 2009".

26 **Sec. 4. Rental Housing Subsidy Program.** – There is hereby established the
27 Rental Housing Subsidy Program, hereinafter referred to as the "Program", to provide
28 social protection and support to ISBs in accessing the formal housing market. It shall
29 be made an option to address the temporary relocation of displaced families due to
30 natural and man-made disasters.

31 Eligible ISBs shall receive a flat rental subsidy rate of Three thousand five
32 hundred pesos (P3,500.00) for those living in Metro Manila, and a rental subsidy rate

1 to be jointly determined by the Department of Human Settlements and Urban
2 Development (DHSUD) and the National Economic and Development Authority (NEDA)
3 for those living in all other regions, taking into consideration the prevailing minimum
4 wage and rental rates per region, but not to exceed Three thousand five hundred
5 pesos (P3,500.00): *Provided*, That the rental subsidy shall not exceed the actual rent:
6 *Provided, further*, That at any time, but not more than once every two (2) years, such
7 subsidy may be reviewed or revised jointly by the DHSUD and NEDA to conform with
8 prevailing economic conditions.

9 Rental subsidy shall be granted to eligible beneficiaries until the date of
10 completion of the permanent housing project intended for them or upon their actual
11 transfer to the permanent housing project, whichever comes first: *Provided*, That in
12 case of delay in the completion of the permanent housing project, the rental subsidy
13 shall be extended: *Provided, further*, That the agency implementing the permanent
14 housing project shall bear the cost of the extended rental subsidy.

15 *Sec. 5. Eligibility.* – To be an eligible beneficiary under this Act, an individual or
16 household must:

17 (a) live under any of the conditions under Section 3, paragraph b, of this
18 Act;

19 (b) have a source of livelihood or have at least one (1) member of the
20 household gainfully employed: *Provided*, That the daily cumulative
21 income of said family will amount to the prevailing minimum wage in the
22 region; and,

23 (c) vacate the informal settlement area in which they are presently living
24 and transfer or relocate to a safer, decent, and formal settlement and
25 sign a maximum five (5)-year contract with the government.

26 *Sec. 6. Conditions for Continued Entitlement or Eligibility.* – All eligible
27 beneficiaries shall comply with the following conditions to continuously avail of the
28 benefits under this Act:

29 (a) The beneficiaries shall not move or relocate back to the area in which
30 they were originally living unless such move or relocation has been
31 permitted by the proper government authorities, taking into
32 consideration the purpose of the Program; and,

1 (b) The beneficiaries shall pay to the lessor that portion of the rental fee not
2 covered by the subsidy.

3 Beneficiaries who maintain good payment standing shall be prioritized as
4 beneficiaries in government housing programs.

5 *Sec. 7. Form of Payment.* – The rental subsidy shall be distributed by the
6 DHSUD in such form it may determine to be most beneficial and appropriate for the
7 beneficiaries.

8 *Sec. 8. Roles of Government Agencies.* – The various national government
9 agencies and instrumentalities involved in the Program shall perform specific
10 responsibilities.

11 (a) The DHSUD shall:

- 12 i. coordinate with housing agencies to formulate Program targets
13 and integrate these to the national housing policy;
- 14 ii. promulgate appropriate housing policies among the attached
15 corporations of DHSUD and other concerned implementing
16 agencies as necessary in line with the implementation of this
17 Program;
- 18 iii. maintain a national database of validated ISBs, their socio-
19 economic profile, and their respective lessors as well as the link
20 to publicly accessible registry of lessors, and the location and
21 basic description of the rental housing unit;
- 22 iv. enlist beneficiaries and their lessors for the Program;
- 23 v. disburse the rental subsidy to the lessors of the ISBs through a
24 dedicated bank account in a government bank;
- 25 vi. formulate guidelines on the minimum design of a safe, decent,
26 and adequate rental housing unit that considers public health
27 goals;
- 28 vii. set up a monitoring and evaluation system, tools, grievance and
29 redress system, exit strategy, and methodologies on compliance
30 with conditions, implementation, output, and impact assessments
31 together with its attached agencies, the Department of Social
32 Welfare and Development (DSWD), the Presidential Commission

1 for the Urban Poor (PCUP), the Technical Education and Skills
2 Development Authority (TESDA), and the Local Government Units
3 (LGUs); and,

- 4 viii. recommend to Congress measures for the proper and responsive
5 implementation of this Act.

6 (b) The National Housing Authority (NHA) shall:

- 7 i. coordinate with infrastructure program implementing agencies,
8 including the Department of Public Works and Highways (DPWH),
9 and the Department of Transportation (DOTr), regarding the
10 identification of areas suitable for housing projects and the
11 persons who need immediate resettlement;
12 ii. conduct census and tagging of affected ISBs for immediate
13 resettlement;
14 iii. certify and submit to DHSUD the list of eligible ISBs living in
15 government-owned land to be used for government infrastructure
16 project and in areas for priority development as declared under
17 Proclamation No. 1967, s.1980, if applicable, in coordination with
18 DOTr, DPWH, and LGUs; and,
19 iv. provide a national database of resettlement housing units ready
20 for occupancy by intended ISBs of the program.

21 (c) The LGUs shall:

- 22 i. Assist the NHA in conducting census and tagging of ISBs in need
23 of immediate resettlement;
24 ii. Assist the DSWD and PCUP in conducting social preparation
25 activities;
26 iii. Contain the vacated areas of ISBs to help achieve the objectives
27 of this Program;
28 iv. Assist the DSWD in conducting field validation of beneficiaries and
29 their respective lessors for the rental housing units;
30 v. Conduct an inventory of rental housing units that are compliant
31 with the minimum design and standard facilities set by the
32 DHSUD in consultation with other concerned agencies;

- 1 vi. Assist in monitoring and evaluation of the Program, especially the
- 2 continued occupancy of rental housing units by ISBs;
- 3 vii. Maintain a database of ISBs as defined in this Act and registered
- 4 lessors in their area of jurisdiction that can be linked to DHSUD's
- 5 national database and shared with other concerned government
- 6 implementing agencies of the Program; and,
- 7 viii. Maintain a publicly accessible registry of rental housing units with
- 8 basic description, which are compliant with minimum design and
- 9 standard facilities in their respective area of jurisdiction.

10 (d) The DSWD shall:

- 11 i. Validate the list of eligible ISBs provided by DHSUD against the
- 12 "Listahanan" or the National Household Targeting System for
- 13 Poverty Reduction (NHTS-PR);
- 14 ii. With the assistance of LGUs, conduct field validation of ISBs and
- 15 their respective lessors for the rental housing units;
- 16 iii. Submit the list of validate ISBs to DHSUD for funding;
- 17 iv. Jointly undertake with the PCUP and the Department of the
- 18 Interior and Local Government (DILG) the design of the social
- 19 preparation; and,
- 20 v. Jointly undertake with the PCUP and LGUs the conduct of the
- 21 social preparation.

22 (e) The PCUP shall:

- 23 i. Jointly undertake with the DSWD and the DILG the design of the
- 24 social preparation; and,
- 25 ii. Jointly undertake with the DSWD and LGUs the conduct of social
- 26 preparation.

27 (f) The TESDA shall provide skills training to at least one (1) household

28 member of the beneficiaries. It shall ensure that skills trainings provided

29 to beneficiaries are in line with the environment of the relocation site.

30 (g) The Home Development Mutual Fund (HDMF) shall enroll in its system

31 at least one (1) household member of the applicant-beneficiaries of the

32 Program to facilitate their entry into the formal housing market.

1 *Provided*, That a national program steering committee, and regional, provincial,
2 city, and municipal technical working groups (TWG) composed of the DHSUD, NHA,
3 LGUs, DSWD, TESDA, PCUP, and HDMF shall be constituted to define the line of
4 coordination and to ensure seamless program coordination.

5 *Provided, further*, That DHSUD shall closely collaborate with the NHA, DSWD,
6 DILG, and Department of Budget and Management (DBM) in the development of a
7 program design and funding mechanism.

8 *Sec. 9. Additional Positions and Personnel for the DHSUD.* – For purposes of
9 this Act, the DHSUD shall, in coordination with pertinent civil service rules, create
10 positions and enlist additional personnel to ensure the proper and appropriate
11 implementation of the Program under this Act, subject to the evaluation and approval
12 by the DBM.

13 *Sec. 10. Appropriations.* – The amount necessary for the effective
14 implementation of this Act shall be charged against the current appropriations for
15 DHSUD. Hereafter, such amount as may be necessary for its continued implementation
16 shall be included in the annual General Appropriations Act: *Provided*, That funding
17 support for agencies implementing the Program shall be included in the necessary
18 appropriations for this Act.

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

23 *Sec. 12. Mandatory Review on the Implementation of this Act.* – The DHSUD
24 shall submit to the Congress a report on the implementation of this Program at the
25 end of the second year from the date of effectivity of this Act and every two (2) years
26 thereafter.

27 *Sec.13. Separability Clause.* – If any provision or part hereof is held invalid or
28 unconstitutional, the remainder of the law or the provision or part not otherwise
29 affected shall remain valid and subsisting.

30 *Sec. 14. Repealing Clause.* – Any law, presidential decree or issuance, executive
31 order, letter of instruction, administrative order, rule, or regulation contrary to or

1 inconsistent with the provisions of this Act are hereby repealed, modified, or amended
2 accordingly.

3 Sec. 15. *Effectivity.* – This Act shall take effect fifteen (15) days after its
4 publication in the *Official Gazette* or in a newspaper of general circulation.

Approved,