

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



HOUSE OF REPRESENTATIVES

HOUSE BILL No. 255

Introduced by REPRESENTATIVES LANI MERCADO-REVILLA,
BRYAN B. REVILLA and RAMON JOLO B. REVILLA III

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

EXPLANATORY NOTE

Filipino families, particularly the informal settlers sector would be greatly helped by the establishment of financial assistance intended for rental payments for decent temporary shelter. This is specially intended to assist ISFs who are dislocated due to resettlement of their communities which are affected by being categorized as danger zone, or directly affected by government infrastructure projects, or was hit by a calamity or unforeseen event such having been razed by fire or by extreme flooding or typhoon which destroyed their shelters.

The national government has estimated that approximately six (6) million backlog low-cost housing units will need to be constructed during the term of President Ferdinand Marcos Jr. in order to address the shelter needs of our fast-growing Filipino population. Or what was termed as "One-million-units-a-year" promised by the former Secretary of the Department of Human Settlements and Urban Development (DHSUD) under the Pambansang Pabahay Para sa Pilipino Program (4PH), or 6 million units by 2028. The target was factual and quite true, but the capacity to deliver was another story.

While the government is still in the process of groundbreaking and launching the 4PH projects that would be initially ready by 2028, the Filipino families need decent shelter today. The private sector housing developers has been catching up to what the government has scarcely achieved in terms of housing production. Thus, there are low-cost housing units in the private sector market that can be rented out by our homeless families who will need to be subsidized during their period of dislocation crisis. Afterall, the crises initially mentioned would not wait until the 4PH program delivers on the housing units for the poor.

The author visited the Disiplina Villages (DVs) of Valenzuela City which are very good models of an LGU-initiated rental housing program. These are "township"

projects complete with community-driven livelihood programs and amenities like police precincts to maintain peace and order, fire stations, health care centers, schools and sports facilities to keep the youth away from vices. A total of 16,189 ISFs, who formerly lived along waterways in the city, were the targeted beneficiaries of these DVs. Most of them are now living as productive citizens in decent and functioning communities. And as their lives improve they are later on able to transfer to more decent shelter which they can own on installment basis.

This measure was already approved on Third and Final Reading by the House of Representatives during the Nineteenth Congress.

In view of this, immediate approval of this measure is earnestly requested.


REP. LANI MERCADO - REVILLA , MSLG, DM (hc)
Representative
2nd District of Cavite


REP. BRYAN B. REVILLA
Representative
AGIMAT Partylist


REP. RAMON JOLO REVILLA III
Representative
1st District of Cavite

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*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 “Rental Housing
Subsidy Program Act.”

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

- a. Promote a just, equitable, and inclusive urban development through programs providing adequate social services, broader housing options, livelihood and employment, and an improved quality of life for the Filipino people, especially the underprivileged;
- b. Provide an innovative housing program that makes available affordable, livable, and decent housing, as well as access to basic social services, especially for the underprivileged;
- c. Protect the urban poor from the impact of immediate dislocation due to eviction and demolition arising from government projects; and
- d. Provide interim housing for dislocated families due to natural and man-made disasters.

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

- a. *Dislocation* refers to the state of being displaced from one place to another due to causes such as eviction and demolition;

- b. *Informal settler families* refer to households living on a lot, whether private or public, without the consent of the property owner; or those without legal claim over the property they are occupying; or those living in danger areas such as esteros, railroad tracks, garbage dumps, riverbanks, shorelines, and waterways, as defined in Section 3(e) of Republic Act No. 11201, otherwise known as the "Department of Human Settlements and Urban Development Act"; and
- c. *Rental housing subsidy* refers to the financial assistance provided by the government to pay for the temporary use or occupancy of a residential unit in the public and private rental housing market.

SEC. 4. Rental Housing Subsidy Program. – There is hereby established the Rental Housing Subsidy Program, hereinafter referred to as the "Program", to provide social protection and support to informal settler families (ISFs) in accessing the formal housing market under the Department of Human Settlements and Urban Development (DHSUD). It shall be made an option to address the temporary relocation of displaced families due to natural and man-made disasters.

Eligible ISFs shall receive a flat rental subsidy rate of Three thousand five hundred pesos (PhP3,500.00) for those living in Metro Manila and a rental subsidy rate to be determined by the DHSUD and by the Department of Economy, Planning, and Development (DEPDev) for those living in all other regions, taking into consideration the prevailing minimum wage and rental rates per region, but not to exceed Three thousand five hundred pesos (PhP3,500.00): *Provided*, That the rental subsidy shall not exceed the actual rent: *Provided, further*, That at any time, but not more often than once every two (2) years, such subsidy may be reviewed or revised by the DHSUD and NEDA to conform with the prevailing economic conditions.

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

SEC. 5. Eligibility. – To be eligible for rental subsidy under this Act, a beneficiary must:

- a. be an ISF as defined under Section 3(b) hereof; and
- b. vacate the informal settlement area presently being occupied and transfer to a safer and government-authorized area.

SEC. 6. Conditions for Continued Entitlement or Eligibility. – All eligible rental subsidy beneficiaries shall comply with the following conditions to continuously avail of the benefits under this Act:

- a. The beneficiaries shall not move or relocate back to the area in which they were originally living in unless such move or relocation has been permitted by the proper government authorities, taking into consideration the purpose of the Program; and
- b. The beneficiaries shall pay to the lessor that portion of the rental fee not covered by the subsidy.

Rental subsidy beneficiaries who maintain good payment standings shall be prioritized as beneficiaries in government housing programs.

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

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

a. The DHSUD shall:

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

b. The National Housing Authority (NHA) shall:

1. Certify to the eligibility of the applicants of the Program;
2. Coordinate with government agencies, including the Department of Public Works and Highways and the Department of Transportation, on the identification of areas suitable for housing projects and the persons who need immediate resettlement;
3. Update the masterlist of beneficiaries to be resettled as part of

the National Resettlement Program which shall include their socio-economic profiles; and

4. Design and conduct appropriate monitoring and evaluation of the implementation of this Program which shall include a grievance and redress system.
- c. The Home Development Mutual Fund shall enroll in its system at least one household member of the applicant-beneficiaries of the Program to facilitate their entry into the formal housing market.
- d. The DSWD shall design the social preparation activities and conduct workshops and training programs to ensure that beneficiaries are aware of the benefits under the Program, including the parameters and conditions for eligibility.
- e. The PCUP shall:
1. Assist the DSWD in the design of social preparation activities, workshops, and training programs for beneficiaries; and
 2. Conduct social preparation activities with the local government units.
- f. The Technical Education and Skills Development Authority (TESDA) shall provide skills training to at least one household member of the beneficiaries.
- g. The local government units (LGU) shall:
1. Maintain a publicly accessible register of lessors in their respective areas of jurisdiction;
 2. Assist the NHA in conducting census and tagging of ISFs in need of immediate resettlement;
 3. Assist the DSWD and PCUP in conducting social preparation activities;
 4. Contain the vacated areas of ISFs to help achieve the objectives of this Program;
 5. Assist the DSWD in monitoring and evaluating the implementation of this Program; and
 6. Conduct with the DSWD field valuation of beneficiaries and their

respective lessors in the rental housing units.

SEC. 9. Appropriations. – The amount necessary for the implementation of this Act shall be included in the annual General Appropriations Act.

SEC. 10. Implementing Rules and Regulations. – The DHSUD shall, in coordination with relevant government agencies, issue rules, regulations, and guidelines necessary to carry out the intent and purposes of this Act within six (6) months from the date of effectivity.

SEC. 11. Mandatory Review on the Implementation of this Act. – The DHSUD shall submit to both Houses of Congress a report on the implementation of this Program at the end of the second year from the date of effectivity of this Act and every two (2) years thereafter.

SEC. 12. Separability Clause. – If any portion or provision of this Act is held unconstitutional or invalid, the remaining provisions not affected thereby shall continue to be in full force and effect.

SEC. 13. Repealing Clause. – All laws, executive orders, proclamations, rules, regulations and other issuances or parts thereof which are inconsistent with the provisions of this Act are hereby repealed, amended or modified accordingly.

SEC. 14. Effectivity. – This Act shall take effect fifteen (15) days after its publication in the *Official Gazette* or in a newspaper of general circulation.

Approved,