

Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City



EIGHTEENTH CONGRESS

First Regular Session

House Bill No. 3041

Introduced by **REP. NAEALLA BAITO AGUINALDO**

EXPLANATORY NOTE

There is a need to revise Republic Act No. 7279, otherwise known as the Urban Development and Housing Act of 1992, in face of the enactment of Republic Act No. 11201, otherwise known as the Department of Human Settlements and Urban Development Act.

Republic Act No. 11201 creates the Department of Human Settlements and Urban Development and sets it as the primary national government agency responsible for the management of housing, human settlement, and urban development. Therefore, the policies in Republic Act No. 7279 must be realigned with the polices set forth in the Department of Human Settlements and Urban Development Act for a more comprehensive and streamlined approach in addressing the housing backlog in the country.

Beyond the alignment of the two laws, there is also a need to amend the provisions of the Urban Development and Housing Act of 1992, because after more than two decades since its enactment, it still has failed to effectively address the housing crisis in the country. The law must be amended in order to strengthen the country's housing policy, and to create and implement a law that is truly cognizant of the plight and struggles of the underprivileged and homeless Filipinos.

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AN ACT ESTABLISHING A COMPREHENSIVE RESETTLEMENT PROGRAM FOR THE UNDERPRIVILEGED AND HOMELESS CITIZENS, AMENDING FOR THE PURPOSE REPUBLIC ACT NO. 7279, AS AMENDED, OTHERWISE KNOWN AS THE “URBAN DEVELOPMENT AND HOUSING ACT OF 1992”

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

SECTION 1. Short Title. – This Act shall be known as the “Underprivileged and Homeless Citizens Resettlement Act”.

SEC. 2. Amendatory Provisions. – For purposes of this Act, the following provisions of Republic Act No. 7279, otherwise known as the “Urban Development and Housing Act of 1992”, are hereby amended as follows:

(a) Section 3 of Republic Act No. 7279 is hereby amended to read as follows:

“**SEC. 3. Definition of Terms.** – For purposes of this Act: x x x

“(X) x x x;

“(Y) ‘Comprehensive Land Use Plan or CLUP’ refers to the document formulated by the local government unit, in consultation with its stakeholders, that defines or provides guidelines

on the allocation, utilization, development, and management of all lands within a given territory or jurisdiction according to the inherent qualities of the land itself and supportive economic, demographic, socio-cultural, and environmental objectives as provided in Section (3)(b) of Republic Act No. 11201, otherwise known as the ‘Department of Human Settlements and Urban Development Act’;

“(Z) ‘Civil Society Organizations or CSOs’ refer to Non-Governmental Organizations (NGOs), People’s Organizations (POs), cooperatives, trade unions, professional associations, faith-based organizations, media groups, indigenous people movements, foundations, and other citizen’s groups formed primarily for social and economic development, to plan and monitor government programs and projects, to engage in policy discussions, and for active participation in collaborative activities with the government;

“(AA) ‘Implementing Local Government Unit’ refers to the city or municipality that has jurisdiction over the area in which the qualified underprivileged and homeless citizens are originally situated;

“(BB) ‘In-City Resettlement’ refers to a relocation site within the jurisdiction of the city or municipality where the qualified underprivileged and homeless citizens currently have their settlements;

“(CC) ‘Near-City Resettlement’ refers to a relocation site in a city or municipality other than the current city or municipality of the qualified underprivileged and homeless citizens; Provided, however, That the relocation site is adjacent to the said city or municipality;

“(DD) ‘Off-City Resettlement’ refers to a relocation site developed outside of and not adjacent to the city or municipality where the qualified underprivileged and homeless citizens currently have their settlements;

“(EE) ‘People’s Plan’ refers to the plan formulated by the beneficiary-association, which shall contain a site development plan that conforms to the CLUP of the local government unit under whose jurisdiction the project site is proposed to be located, including community health, sanitation, and security plans, as well as non-physical development components such as self-help housing cooperative, livelihood, self-help development, capability building, and a system of allocation of socialized housing units that promote and protect the welfare of the elderly, persons with disability, and children as provided in Section (3)(f) of Republic Act No. 11201, otherwise known as the ‘Department of Human Settlements and Urban Development Act’;

“(FF) ‘Receiving Local Government Unit’ refers to the city or municipality that has jurisdiction over the area in which the qualified underprivileged and homeless citizens are relocating or resettling, unless the relocation site is within the same jurisdiction as the area where the said citizens currently have their settlements;

“(GG) ‘Summary Eviction Notice’ refers to the summary order of eviction and demolition of the local chief executive or his authorized representative when summary eviction, as provided in this Act, is proper.”

(b) Section 6 of the same Act is hereby amended to read as follows:

“SEC. 6. *Framework for National Development.* – There shall be a National Urban Development and Housing Framework to be formulated by the Department of Human Settlements and Urban Development in coordination with all local government units and other concerned public and private sectors within 1 year from the effectivity of this Act, and shall be updated annually thereafter.

“The framework shall refer to the comprehensive plan for urban and urbanizable areas aimed at achieving the objectives of the Program. In the formulation and revision of the

Framework, a review and rationalization of testing town and land use plans, housing programs, and all other objectives and activities of government agencies and of the private sector which may substantially affect urban land use patterns, transportation and public utilities, infrastructure, environment and population movement shall be undertaken with the concurrence of the local government units concerned”.

(c) Section 7 of the same Act is hereby amended to read as follows:

“SEC. 7. *Inventory of Lands.* — Within one (1) year from the effectivity of this Act, all city and municipal governments shall conduct an inventory of all lands and improvements thereon within their respective localities. The inventory shall include the following:

- (a) Residential lands;
- (b) Government-owned lands, whether owned by the National Government or any of its subdivisions, instrumentalities, or agencies, including government-owned or-controlled corporations and their subsidiaries;
- (c) Unregistered or abandoned and idle lands; and
- (d) Other lands.

“In conducting the inventory, the local government units, in coordination with the Department of Human Settlements and Urban Development and with the assistance of the appropriate government agencies, shall indicate the type of land use and the degree of land utilization, and other data or information necessary to carry out the purposes of this Act.

“For planning purposes, the Department of Human Settlements and Urban Development shall be furnished by each local government unit a copy of its updated inventory annually”.

(d) Section 8 of the same Act is hereby amended to read as follows:

“Sec. 8. Identification of Sites for Socialized Housing. — After the inventory, the local government units, in coordination with the National Housing Authority, the Department of Human Settlements and Urban Development, the National Mapping Resource Information Authority, and the Land Management Bureau, shall identify lands for socialized housing and resettlement areas for the immediate and future needs of the underprivileged and homeless citizens in urban areas, taking into consideration the degree of availability of basic services and facilities, their accessibility and proximity to jobs sites and other economic opportunities, and the actual number of registered beneficiaries. Further identification shall be conducted within a reasonable time from the submission of the updated inventory.

“Government-owned lands under paragraph (b) of the preceding section, which have not been used for the purpose for which they have been reserved or set aside for the past ten (10) years from the effectivity of this Act, and identified as suitable for socialized housing, shall immediately be transferred to the National Housing Authority, subject to the approval of the President of the Philippines or by the local government unit concerned, as the case may be, for proper disposition in accordance with this Act”.

- (e) Section 13 of the same Act is hereby amended to read as follows:

“Sec. 13. Valuation of Lands for Socialized Housing. — Equitable land valuation guidelines for socialized housing shall be set by the Department of Finance on the basis of the market value reflected in the Zonal valuation, or in its absence, on the latest real property tax declaration.

“For site already occupied by qualified underprivileged and homeless citizens, the Department of Finance shall factor into the valuation the blighted status of the lands as certified by the local government unit or the National Housing Authority, and the average income of such

citizens as certified by the local government unit concerned or the National Economic And Development Authority”.

- (f) Section 16 of the same Act is hereby amended to read as follows:

“Sec. 16. Eligibility Criteria for Socialized Housing Program Beneficiaries. — To qualify for the socialized housing programs under this Act, a qualified underprivileged and homeless citizen:

- (a) Must be a Filipino citizen;
- (b) Must be an underprivileged and homeless citizen, as defined in Section 3 of this Act;
- (c) Must not own any real property whether in the urban or rural areas; and
- (d) Must not be a professional squatter or a member of squatting syndicates, as defined in Section 3 of this Act”.

- (g) Section 17 of the same Act is hereby amended to read as follows:

“Sec. 17. Registration of Socialized Housing Beneficiaries. — The Department of Human Settlements and Urban Development, in coordination with the local government units, shall establish a housing beneficiary one-stop registration center in every region which shall serve as the primary machinery for the registration of qualified underprivileged and homeless citizens. The registration center, in coordination with the local government units within its region, within one (1) year from the effectivity of this Act, shall identify and register all qualified underprivileged and homeless citizens within their respective regions.

“For establishing a universal single database, the Department of Human Settlements and Urban Development shall be furnished by each registration center a copy of its registration every two (2) years”.

- (h) Section 21 of the same Act is hereby amended to read as follows:

“Sec. 21. Basic Services. — Socialized housing or resettlement areas shall be provided by the local government unit concerned or the National Housing Authority in cooperation with the private developers and concerned agencies with the following basic services and facilities:

- (A) Habitable house that is built with at least one window, at least one exterior door, and an intact roof. It must be resting on a permanent foundation and must have facilities which are essential for comfort, health, nutrition, and security;
- (B) Access to potable and safe drinking water;
- (C) Power and electricity and an adequate power distribution system that must be supplied by the local government unit or by the appropriate public or private agencies;
- (D) Sewerage facilities and an efficient and adequate solid waste disposal system; and
- (E) Access to primary roads, transportation facilities, and emergency services.

“The provision of other basic services and facilities such as health, labor, education, communications, security, recreation, relief, and welfare shall be planned and shall be given priority for implementation by the local government unit concerned and other concerned agencies in cooperation with the private sector and the beneficiaries themselves.

“The local government unit concerned, in coordination with the appropriate national agencies, shall ensure that these basic services are provided at the most cost-efficient rates, and shall set a mechanism to coordinate operationally the thrusts, objectives, and activities of other government agencies concerned with providing basic services to housing projects”.

- (i) Section 22 of the same Act is hereby amended as follows:

“Sec. 22. Livelihood Component. — Qualified underprivileged and homeless citizens should not be displaced too far from their current place of work, livelihood, or education. Should

substantial displacement be inevitable, socialized housing and resettlement projects shall be located in areas where employment opportunities and public schools are accessible.

"In case of forced unemployment due to substantial displacement, the government agencies dealing with the development of livelihood programs and the grant of livelihood loans, such as the Technical Educational and Skills Development Authority, Department of Labor and Employment, Department of Social Welfare and Development, Department of Science and Technology, and Philippine Trade and Training Center, shall prioritize assisting the concerned qualified underprivileged and homeless citizens. In case of forced dropout due to substantial displacement, public schools that are accessible within the area, in coordination with the Department of Education or other appropriate public or private agencies, shall also prioritize the enrolment of the concerned qualified underprivileged and homeless citizens".

- (j) Section 23 of the same Act is hereby amended to read as follows:

"SEC. 23. The participation of qualified underprivileged and homeless citizens, the formation of beneficiary-association, and the formulation and implementation of a people's plan

– The local government units, in coordination with the Presidential Commission for the Urban Poor and other concerned government agencies, shall afford qualified underprivileged and homeless citizens or their duly authorized representatives an opportunity to be heard and to participate in the decision-making process over matters involving the protection and promotion of their legitimate collective interests which shall include appropriate documentation and feedback mechanisms. They shall also be encouraged to organize themselves into associations for accreditation in order for them to collectively promote and protect their legitimate interests. They shall also assist the government in preventing the incursions of professional squatters and members of squatting syndicates into their communities.

“In instances when the qualified underprivileged and homeless citizens move to organize themselves into an association, but have failed to do so within a reasonable period prior to the implementation of the programs or projects affecting them, consultation between the implementing agency and the concerned qualified underprivileged and homeless citizens shall be conducted with the assistance of the Presidential Commission for the Urban Poor and civil society organizations, until an association is formed.

“The association and the local government unit concerned, with or without the participation of civil society organizations and government agencies, have a duty to convene and consult collectively, expeditiously, and in good faith in order to formulate a people’s plan in accordance with the comprehensive land use plan of the local government unit concerned”.

(k) Section 26 of the same Act is hereby amended to read as follows:

“SEC. 26. *Urban Renewal and Resettlement Programs.* – The urban renewal and resettlement programs shall include the rehabilitation and development of blighted and slum areas, and the resettlement of qualified underprivileged and homeless citizens in accordance with the provisions of this Act.

“On-site development shall be given the highest priority and shall be implemented in accordance with the formulated people’s plan, in order to minimize and prevent the relocation and resettlement of occupants of blighted lands and slum areas, or of the qualified underprivileged and homeless citizens to an area different from in-situ.

“Should on-site development be not feasible, in-city resettlement shall be undertaken only after compliance with the procedures laid down in Section 28 of this Act, and shall be implemented in accordance with the formulated people’s plan.

“Should on-site development and in-city resettlement be not feasible, near-city resettlement shall be undertaken only after compliance with the procedures laid down in section 28 of this Act. It shall be implemented in accordance with a people’s plan that was formulated collectively, expeditiously, and in good faith by the beneficiary-association with the implementing local government unit, and with the receiving local government unit.

“Should on-site development, in-city resettlement, and near-city resettlement be not feasible, off-city resettlement shall be undertaken only after compliance with the procedures laid down in section 28 of this act. It shall be implemented in accordance with a people’s plan that was formulated collectively, expeditiously, and in good faith by the beneficiary-association with the implementing local government unit, and with the receiving local government unit.

“In case of on-site development, qualified underprivileged and homeless citizens shall be provided temporary homes until the completion of the project.

“In case of resettlement of any kind, qualified underprivileged and homeless citizens shall remain in-situ and shall resettle only after the completion of the resettlement project; Provided, however, That in case the qualified underprivileged and homeless citizens are residing in danger areas, they shall be provided temporary homes until the completion of the resettlement project”.

- (l) Section 28 of the same Act is hereby amended as follows:

“SEC. 28 – *Eviction and Demolition*. - Eviction or demolition as a practice shall be discouraged. Summary eviction or demolition, however, may be allowed under the following situations:

“(a) When persons or entities occupy danger areas such as esteros, railroad tracks, garbage dumps, riverbanks, shorelines, waterways, and other public places such as sidewalks,

roads, parks, and playgrounds: Provided, however, That the implementing local government unit concerned shall conduct an on-site ocular inspection within 24 hours from receipt of reports of danger areas: Provided, further, That the corresponding report shall be presented to the Presidential Commission for the Urban Poor for review and certification; or

“(b) When government infrastructure projects with available funding are about to be implemented: Provided, however, That such projects shall be presented to the Presidential Commission for the Urban Poor for review and certification;

“In case of summary eviction and demolition, after the mandatory certification by the Presidential Commission for the Urban Poor, a summary eviction notice shall be duly prepared and signed by the local chief executive or his authorized representative.

“In other cases of eviction and demolition, a court order for eviction and demolition shall be required.

“In the execution of eviction or demolition orders, whether summary or court-ordered, involving underprivileged and homeless citizens, the following shall be mandatory:

(1) Notice upon the affected persons or entities at least thirty (30) days, in case of danger areas, and at least sixty (60) days, in case of government infrastructure projects or court-ordered, prior to the date of eviction or demolition;

(2) Adequate consultations on the matter of resettlement and basic services with the affected persons or entities or their duly authorized representatives;

(3) Presence of local government officials or their representatives during eviction or demolition;

(4) Proper identification of all persons taking part in the demolition;

(5) Execution of eviction or demolition only during regular office hours from Mondays to Fridays and during good weather, unless the affected families consent otherwise;

(6) No use of heavy equipment for demolition except for structures that are permanent and of concrete materials;

(7) Proper uniforms for members of the Philippine National Police who shall occupy the first line of law enforcement, and who shall also observe proper disturbance control procedures; and

(8) Adequate relocation, whether temporary or permanent, shall be undertaken by the implementing local government unit concerned and the National Housing Authority with the assistance of other government agencies, within fifteen (15) days, in case of danger areas, and within forty-five (45) days, in case of government infrastructure projects or court-ordered, from service of the notice of eviction and demolition, after which period the said order shall be executed: Provided, however, That should relocation not be possible within the said periods, financial assistance in the amount equivalent to the prevailing minimum daily wage multiplied by sixty (60) days shall be extended to the affected families by the implementing local government unit concerned.

“The affected persons and entities shall be entitled to the rights and benefits under this Act, except when they are professional squatters or squatting syndicates.

“The Department of the Interior and Local Government and the Department of Human Settlements and Urban Development shall jointly promulgate the necessary rules and regulations to carry out the above provision”.

(m) Section 39 of the same Act is hereby amended to read as follows:

“SEC. 39 – Role of Local Government Units. - The local government units shall be charged with the implementation of this Act in their respective localities, in coordination with the Department of Human Settlements and Urban Development, the national housing agencies, the Presidential Commission for the Urban Poor, the private sector, and civil society organizations.

“The local government units, in consultation with the Department of Human Settlements and Urban Development, the national housing agencies, the Presidential Commission for the Urban Poor, the private sector, and civil society organizations, shall prepare a comprehensive land use plan for their respective localities in accordance with the provisions of this Act”.

(n) Section 40 of the same Act is hereby amended to read as follows:

“SEC. 40 – *Role of Government Agencies*. – In addition to x x x

(a) The Department of Human Settlements and Urban Development shall, through key housing agencies, x x x”

(o) Section 41 of the same Act is hereby amended to read as follows:

“SEC. 41 – *Annual Report*. – The local government units shall submit a detailed annual report with respect to the implementation of this Act to the President, to the Department of Human Settlements and Urban Development, and to the appropriate housing committees of the Congress of the Republic of the Philippines”.

SEC 3. Implementing Rules and Regulations. – The principles, policies, and provisions of this Act shall be incorporated in the National Shelter Program.

The Department of Human Settlements and Urban Development and the Department of Interior and Local Government, in consultation and coordination with appropriate government agencies, CSOs, NGOs, representatives from the private sector, and informal settler families,

shall promulgate a new set of implementing rules and regulations, which shall be consistent with the provisions of this Act, and which shall include the following:

- (a) A People's Plan template to guide qualified underprivileged and homeless citizens in the development of their own People's Plan; and
- (b) A guide for the effective implementation of the People's Plan.

The implementing rules and regulations issued pursuant to this section shall take effect thirty (30) days after its publication in two (2) national newspapers of general circulation.

SEC 4. Repealing Clause. – All laws, decrees, executive orders, proclamations, rules and regulations, and other issuances, or parts thereof which are inconsistent with the provisions of this Act are hereby repealed, amended, or modified accordingly.

SEC 5. Separability Clause. – If, any part, section or provision of this Act is held invalid or unconstitutional, the remaining provisions not affected thereby shall continue to be in full force and effect.

SEC 6. Effectivity. – This Act shall take effect fifteen (15) days after its publication in the Official Gazette or in a newspaper of general Circulation.

A handwritten signature in black ink, appearing to read "N. S. Mabanta".