

Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City



EIGHTEENTH CONGRESS

First Regular Session

House Bill No. 848

Introduced by **HON. ROZZANO RUFINO B. BIAZON**

EXPLANATORY NOTE

The housing needs of the underprivileged and homeless in our country is a problem that continuously paints a stark picture for our country's economic managers, and housing czars.

While the 1987 Constitution provides a mandate that seeks to address this ever-growing problem, each administration, faced with the perennial problem of budget deficit that in turn threatens the provision and administration of social benefits to its citizens, is beset with the dilemma of how to allocate its meager resources for this purpose, especially for those who need it most.


Article 13, Section 9 partly reads, "*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.*"

The State, in its desire to pursue the development of our country, has embarked on an unprecedented program of developing certain areas for priority development. This involves the identification of certain areas as "growth centers" for industrial, commercial and similar forms of development. The program includes the alienation of government-owned lands in favor of private individuals and entities for purposes of developing such lands into industrial or commercial centers.

Our country is fast running out of available residential land for its huge and ever-increasing population. The government has to pursue a rational land use plan that will entail the rational allocation of the government's scarce land resources to include housing for the underprivileged.

This bill seeks to prescribe the mechanisms to facilitate the disposition of government-owned lands for socialized housing. Moreover, it also mandates that at least ten percent (10%) of the proceeds of the sale of government-owned lands to private individuals or entities shall be set aside for the development of socialized housing projects within, adjacent to the affected areas or in nearby areas within the city or municipality concerned.

In view of the foregoing, early passage of this bill is earnestly sought.


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AN ACT
PRESCRIBING THE MECHANISMS TO FACILITATE THE DISPOSITION OF
IDLE GOVERNMENT-OWNED LANDS FOR SOCIALIZED HOUSING

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

SECTION 1. *Short Title.* - This Act shall be known as the "Idle Government-Owned Lands Disposition Act".

SEC. 2. *Declaration of Policy.* - It is hereby declared the policy of the State to ensure the availability of sufficient lands for socialized housing purposes and improve the capability of local government units (LGUs) in undertaking housing and urban development programs and projects.

SEC. 3. *Inventory of Lands.* - To carry out the provisions of this Act, an inventory of all idle government-owned lands shall be conducted within one (1) year from the effectivity of this Act. The Housing and Urban Development Coordinating Council (HUDCC) through the National Housing Authority (NHA), in coordination with the Department of Environment and Natural Resources (DENR) through the Land Management Bureau (LMB), shall conduct an inventory of all lands owned by the national government or any of its subdivisions, instrumentalities or agencies, including government-owned or -controlled corporations (GOCCs) and their subsidiaries which have not been used for the purpose for which they have been reserved for the past ten (10) years.

The Department of the Interior and Local Government (DILG) through the LGUs shall conduct an inventory of all local government-owned lands within their respective localities which have remained idle. For monitoring purposes, the DILG shall furnish the HUDCC a copy of its inventory.

The inventories stated in the preceding paragraphs shall be updated every three (3) years.

SEC. 4. *Identification and Setting Aside of Lands for Socialized Housing.* - After the conduct of the inventory:

(a) All LGUs are hereby directed to identify and set aside idle local government-owned lands which are suitable for socialized housing: *Provided*, That the Housing and Land Use Regulatory Board shall provide technical assistance to the LGUs in the identification thereof and their eventual setting aside for and disposition as socialized housing sites: *Provided, further*, That identified lands for socialized housing shall be integrated in the Comprehensive Land Use Plan of LGUs; and

(b) The NHA, in coordination with the LMB, is likewise directed to identify idle lands owned by the national government or any of its subdivisions, instrumentalities or agencies, including GOCCs and their subsidiaries, which have not been used for the purpose for which they have been reserved for the past ten (10) years to be set aside for socialized housing: *Provided*, That such lands have been declared open for disposition whether through an act of Congress or other related laws.

Except for local government-owned lands, all lands owned by the national government or any of its subdivisions, instrumentalities or agencies, including GOCCs and their subsidiaries identified for socialized housing, shall immediately be transferred to the NHA to be set aside for the purpose subject to the approval of the President of the Philippines: *Provided*, That lands comprising the acquired assets of the GOCCs and government financial institutions (GFIs) engaged in shelter financing that are taken possession of in their ordinary conduct of business and lands they hold in trust for and on behalf of their members are not covered under this Act.

SEC. 5. Sale, Alienation or Encumbrance of Other Government-owned Lands Not Set Aside for Socialized Housing. – Whenever a government-owned land not set aside for socialized housing, whether owned by the LGUs or the national government or any of its subdivisions, instrumentalities or agencies, including GOCCs and their subsidiaries, is sold, alienated or otherwise encumbered in favor of private individuals or entities for its development into industrial, commercial or other similar estates, there shall be set aside, as may be necessary, at least ten percent (10%) of the proceeds thereof for the development of socialized housing projects within, adjacent to the affected areas or in nearby areas within the city or municipality in accordance with the local development land-use plan: *Provided*, That lands comprising the acquired assets of GOCCs and GFIs engaged in shelter financing that are taken possession of in their ordinary conduct of business and lands they hold in trust for and on behalf of their members are not covered under this Act: *Provided, further*, That low-salaried employees of the government agency that sold, alienated or otherwise encumbered such idle land shall be given first priority as beneficiaries of the socialized housing projects to be developed.

SEC. 6. Conveyance of Segregated Land or Fund. – For land owned by the national government or any of its subdivisions, instrumentalities or agencies, including GOCCs and their subsidiaries, the segregated land or fund shall be conveyed at no cost to the NHA which shall be directly responsible for the development of socialized housing projects: *Provided, however*, That for a land owned by an LGU, the segregated land or fund shall be retained by the concerned LGU to be utilized exclusively for its socialized housing projects.

SEC. 7. Implementation of Socialized Housing Projects. – For purposes of implementing socialized housing projects on lands set aside for socialized housing and utilizing the funds set aside from the sale, alienation and encumbrance of other lands not set

aside for socialized housing, the concerned LGU and the NHA shall develop or cause the development of projects pursuant to Sections 4, 5 and 6 of this Act.

Toward this end, the NHA and the concerned LGU are hereby authorized to enter into joint venture agreements or other similar arrangements with private developers or nongovernmental organizations (NGOs) engaged in housing production: *Provided*, That the cost of housing unit, if constructed within the affected area or locality pursuant to Section 5 hereof, shall exclude the cost of land.

In all cases, the NHA and the concerned LGU shall coordinate with each other in the development of socialized housing projects in the areas described in Section 5 of this Act.

SEC. 8. *Incentives for Private Developers and NGOs.* – To encourage private sector and NGO participation in socialized housing projects described in Section 7 hereof, the incentives provided in Section 20 of Republic Act No. 7279, otherwise known as the “Urban Development and Housing Act of 1992”, on Incentives for Private Sector Participating in Socialized Housing, shall apply.

SEC. 9. *Implementing Rules and Regulations.* – Within six (6) months after the effectivity of this Act, the HUDCC and the DENR are hereby directed to promulgate the necessary rules and regulations, including the mechanisms and procedures on the conduct of inventory and identification of lands suitable for socialized housing, to effectively implement the provisions of this Act. In drafting the implementing rules and regulations, the National Urban Development and Housing Framework described in Republic Act No. 7279 shall be taken into consideration.

SEC. 10. *Separability Clause.* – If any part or provision of this Act is declared invalid for any reason, the remainder of this Act not affected thereby shall remain valid and effective.

SEC. 11. *Repealing Clause.* – All laws, decrees, executive orders, letters of instruction, rules and regulations or parts thereof inconsistent with any of the provisions of this Act are hereby repealed, modified, superseded or amended accordingly.

SEC. 12. *Effectivity.* – This Act shall take effect fifteen (15) days after its publication in the Official Gazette or in a newspaper of general circulation.

Approved,