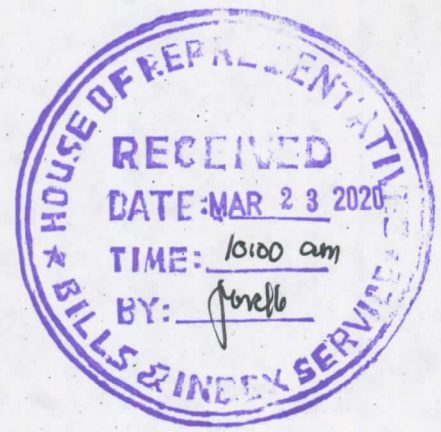


Republic of the Philippines  
**HOUSE OF REPRESENTATIVES**  
Quezon City

**EIGHTEENTH CONGRESS**  
First Regular Session

House Bill No. 6617



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**Introduced by the Honorable Precious Hipolito Castelo**

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**EXPLANATORY NOTE**

On March 11, 2020, the World Health Organization (WHO) declared Coronavirus Disease 2019 (COVID-19) as a global pandemic.

The following day, the Department of Health (DOH) announced that the COVID-19 alert level has been raised to Code Red Sublevel 2, due to evidence of community transmission as the number of cases rise in parts of the country, particularly in the National Capital Region (NCR).

President Rodrigo Duterte announced the imposition of "community quarantine" in NCR to prevent the further spread of the contagion. It was later escalated to "enhanced community quarantine" due to the surge of new cases. Stringent measures have been laid down. Classes are suspended in all levels from March 15 to April 14, 2020. Land, domestic air and sea travel to and from NCR have also been suspended during the same period. Likewise, offices under the executive department were directed to implement a skeletal workforce arrangement as work is temporarily suspended.

Subsequently, the President has declared a nationwide state of calamity for six (6) months in order to tap into the government's calamity funds.

It cannot be overemphasized how important social distancing and isolation measures are to combat the spread of COVID-19. Experts say that in order to "flatten the curve" or to prevent the sudden surge of COVID-19 cases, it is necessary that everyone cooperate. As such, most business establishments were forced to temporarily close down to prevent the mass gathering of people. All are highly enjoined to stay at home.

Informal sector workers, self-employed individuals, peddlers, contractual workers, and other workers under a "no work, no pay" arrangement are greatly affected since they are not assured of any income during the quarantine period.

Thus, in order to alleviate the financial burden of Filipinos during the occurrence of this public health crisis, it is the intent of this bill to have a 30-day "National Payment Holiday".

A one-month waiver of payments to government financial institutions such as the Social Security System (SSS), Government Service Insurance System (GSIS), Pag-IBIG Fund and PhilHealth will go a long way for those struggling financially to survive. Such payments should include loan amortizations and premium contributions.

There should also be a waiver on rentals for leased dwelling units such as apartments, dormitories and condominiums, as well as commercial spaces in private establishments like malls. The law on contracts under the Civil Code of the Philippines exempts an obligor from liability on account of "fortuitous event" or *force majeure*, which refers not only to events that

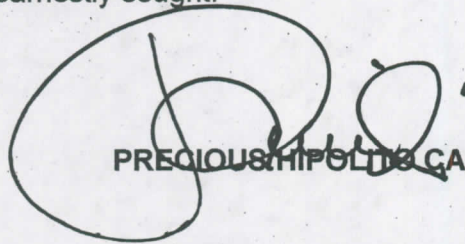


are unforeseeable, but also to which are foreseeable, but inevitable.<sup>1</sup> Indeed, the occurrence of this global pandemic is a circumstance which is beyond the control of both parties and should therefore be considered as a "fortuitous event".

Also, public utilities such as Meralco, Maynilad, and Manila Water, telecommunication companies and internet service providers such as Globe and PLDT-Smart, operators of toll roads such as North Luzon Expressway, South Luzon Expressway and NAIA road network should likewise let go of payments for one (1) month.

It is not enough for government institutions and private businesses to postpone payments. Since people are forced to stay at home during the quarantine period, they must spend whatever money they have to tide them over the emergency. They would have little to no money at all to pay for their suspended obligations after the quarantine is lifted. A 30-day "National Payment Holiday" is therefore necessary.

The immediate passage of this bill is most earnestly sought.



PRECIOUS HIPOKITO CASTELO

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<sup>1</sup> Article 1174 of the Civil Code of the Philippines.

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**AN ACT**  
**MANDATING A THIRTY-DAY NATIONAL PAYMENT HOLIDAY DUE TO THE**  
**CORONAVIRUS DISEASE 2019 (COVID-19) GLOBAL PANDEMIC**

*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 "COVID-19 30-Day National Payment Holiday Act of 2020".

SEC. 2. *Declaration of Policy.* – The State shall adopt an integrated and comprehensive approach to health development which shall endeavor to make essential goods, health and other social services available to all the people at affordable cost. Towards this end, the State shall implement policies which will alleviate the financial burden of its citizens due to the economic consequences brought about by the COVID-19 pandemic.

SEC. 3. *Waiver of loan amortizations and premium contributions.* – Loan amortizations and premium contributions to government financial institutions such as, but not limited to, Social Security System (SSS), Government Service Insurance System (GSIS), Pag-IBIG Fund, and PhilHealth, are hereby waived for a period of one month.

SEC. 4. *Waiver of rental payments for residential purposes.* – Rental payments for dwelling units such as apartments, condominiums, or dormitories are hereby waived for a period of one month.

SEC. 5. *Waiver of rental payments for commercial purposes.* – Rental payments for commercial spaces in private establishments are hereby waived for a period of one month.

SEC. 6. *Waiver of subscription payments with internet service providers and telecommunication companies.* – Subscription payments with internet service providers and telecommunication companies are hereby waived for a period of one month.

SEC. 7. *Waiver of toll fees.* – Toll fees paid for use of expressways are hereby waived for a period of one month.

SEC. 8. *Waiver of payments for electric and water consumption.* – Payments with public utilities for electric and water consumption are hereby waived for a period of one month.

SEC. 9. *Separability Clause.* – If any provision or part hereof is held invalid or unconstitutional, the remainder of the law or the provision not otherwise affected shall remain valid and subsisting.



SEC. 10. *Repealing Clause.* – Any law, presidential decree or issuance, executive order, letter of instruction, administrative order, rule or regulation contrary to or inconsistent with, the provisions of this Act is hereby repealed, modified, or amended accordingly.

SEC. 11. *Effectivity Clause.* – This Act shall take effect fifteen (15) days after its publication in at least two (2) newspapers of general circulation.

*Approved,*