



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

Seventeenth Congress  
First Regular Session

**2783**  
HOUSE BILL NO. \_\_\_\_\_

HOUSE OF REPRESENTATIVES	
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Introduced By Honorable Isidro S. Rodriguez, Jr.

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**EXPLANATORY NOTE**

This bill seeks to mandate local government units (LGUs) to provide livelihood assistance to qualified beneficiaries of relocation and resettlement projects, amending for the purpose Republic Act (RA) No. 7279 otherwise known as the "*Urban Development and Housing Act of 1992*".

Presently, the relocation or resettlement of persons is governed by the Urban Development and Housing Act. However, this law does not provide adequate assistance to the local government units that has jurisdiction over the relocation or resettlement site. Whenever

relocation or resettlement is implemented by the national government or local government units, the LGU with the jurisdiction over the relocation or resettlement site suffers a host of problems connected with the sudden influx of people in a confined identified area. This entails expenses for the delivery of basic services such as education, health, peace and order, among others, which the host unit must provide for.

The Urban Development and Housing Act mandates that the relocation or resettlement projects be located near areas where employment opportunities are accessible. It also directs the government agencies concerned to prioritize the development of livelihood programs to relocation beneficiaries. These provisions are not, however, enough to guarantee sustainable livelihood opportunities for the families of the relocation or resettlement beneficiaries.

Since the relocation or resettlement project will necessarily require putting in place livelihood or employment opportunities to support the families of the beneficiaries in the resettlement sites, the LGU that is undertaking the relocation or resettlement project outside its territory must be mandated to likewise provide to the beneficiaries

livelihood assistance. In this manner, the burden of the LGU hosting the relocation or resettlement site will considerably be lessened.

Under the Local Government Code of 1991, particularly Section 287 thereof, LGUs are mandated to appropriate at least 20% of its Annual Internal Revenue Allotment (IRA) for development projects. Pursuant to this provision, Joint Memorandum Circular No. 2011-1 dated April 13, 2011 was issued by the Department of the Interior and Local Government (DILG) and Department of Budget and Management (DBM), amending for the purpose DILG-DBM Joint Memorandum Circular No. 1 dated September 20, 2005, entitled "*Guidelines on the Appropriations and Utilization of the 20% of the Annual Internal Revenue Allotment for Development Projects*" and DILG Memorandum Circular No. 2010-138 dated December 2, 2010 entitled "*Use of the 20% component of Annual Internal Revenue allotment Shares*". Based of these guidelines, the 20% of the IRA intended for the development projects may be utilized by the local government unit for priority programs like social and economic development which include, among others, purchase and development of land for relocation of informal settlers and capital expenditures related to the implementation of livelihood or economic development projects. Thus LGUs can use the 20% component of their annual Internal Revenue Allotment share to

allot for the livelihood assistance to qualified beneficiaries of relocation or resettlement projects.

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

  
ISIDRO S. RODRIGUEZ, JR.



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**AN ACT**

**MANDATING LOCAL GOVERNMENT UNITS TO PROVIDE LIVELIHOOD ASSISTANCE TO QUALIFIED BENEFICIARIES OF RELOCATION AND RESETTLEMENT PROJECTS, AMENDING FOR THE PURPOSE REPUBLIC ACT NO. 7279, OTHERWISE KNOWN AS THE "URBAN DEVELOPMENT AND HOUSING ACT OF 1992"**

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

**SECTION 1.** *Section 22* of the Republic Act No. 7279 is hereby amended to read as follows:

"SEC. 22. Livelihood Component. – To the extent feasible, socialized housing and resettlement projects shall be located near areas where employment opportunities are accessible. The government

agencies dealing with the development of livelihood programs and grant livelihood loans shall give priority to the beneficiaries of the program.

FOR PURPOSES OF THIS ACT, THE SENDING OR RELOCATING LOCAL GOVERNMENT UNITS SHALL, APART FROM THE PURCHASE OF UNITS FOR THE BENEFICIARIES, LIKEWISE PROVIDE FOR LIVELIHOOD ASSISTANCE TO QUALIFIED BENEFICIARIES IN THE RELOCATION OR RESETTLEMENT AREAS WHICH SHALL BE IN PLACE UPON THE RELOCATION OR RESETTLEMENT OF THE BENEFICIARIES. THE AMOUNT NECESSARY TO PROVIDE LIVELIHOOD ASSISTANCE SHALL BE TAKEN FROM THE INTERNAL REVENUE ALLOTMENT OF THE SENDING LOCAL GOVERNMENT UNITS INTENDED FOR DEVELOPMENT PROJECTS.

THE DEPARTMENT OF THE INTERIOR AND LOCAL GOVERNMENT AND THE HOUSING AND URBAN DEVELOPMENT COORDINATING COUNCIL SHALL JOINTLY PROMULGATE THE RULES AND REGULATIONS NECESSARY FOR THE EFFECTIVE IMPLEMENTATION OF THIS SECTION."

**SECTION 2. *Repealing Clause*** – All laws, executive orders, and rules and regulations, or parts thereof, inconsistent with the provisions of this Act, are hereby repealed or modified accordingly

**SECTION 3. *Effectivity***. – This Act shall take effect fifteen (15) days after its publication in the Official Gazette or in two (2) national newspapers of general circulation

Approved.