

For the sake of the homeless farmer, fisherfolk and small entrepreneurs and in recognition of cooperatives as practical and egalitarian instruments of balanced, sustained development and in improving the quality of life of our people, approval of this measure is urgently requested on behalf of the nearly 8,000 cooperatives already registered as of 1991 and of the hundred more expected to be registered now and in the immediate future.


JINGGOY EJERCITO ESTRADA
Senator

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

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SENATE

RECEIVED BY: 

S.B. No. 881

Introduced by Senator Jinggoy Ejercito Estrada

**AN ACT
TO PROMOTE AND ENCOURAGE THE ORGANIZATION AND SUSTAINED
DEVELOPMENT OF COOPERATIVES AS INSTRUMENTS FOR THE FULFILLMENT
OF THE BASIC NEED OF HOUSING FOR THE HOMELESS AND
UNDERPRIVILEGED AND AMENDING FOR THAT PURPOSE REPUBLIC ACT NO.
6938, THE COOPERATIVE CODE OF THE PHILIPPINES AND FOR OTHER
PURPOSES.**

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

SECTION 1. **Title.** - This Act shall be known as the "Housing Cooperative Act of the Philippines:.

SECTION 2. **Declaration of Policy.** - It is hereby declared the policy of the State that cooperatives are vital and realistic instruments of people empowerment and for meeting the basic need of shelter and to this end shall promote and encourage the organization of cooperatives for socialized and economic housing as service cooperatives the primary purpose of which is to provide the service of housing for its members and the community or as a multipurpose or other type of cooperative which shall undertake as one of its major activities the provision of housing.

SECTION 3. **Definition of "Housing Cooperative".** - A Housing Cooperative is one which engage primarily in assisting its members and the members of the community it serves in the provision of housing and the amenities that accompany the basic need of shelter. A Housing Cooperative may be registered as a service cooperative which engages in housing, or as a multipurpose cooperative which combines housing services with one or more of other business activities as a credit , consumer, producer or marketing cooperative pursuant to Article 23 of Republic Act No. 6938, the Cooperative Code of the Philippines.

SECTION 4. **Privileges and Rights of a Housing Cooperative** . - Article 23 of Republic Act No. 6938, the Cooperative Code of the Philippines, is hereby amended by adding a new paragraph "(3)" as follows:

"ART. 23 Types and Categories of Cooperatives:

"(1) Types of Cooperatives - xxxxxxxxxxxxxx.

"(2) Categories of Cooperatives - xxxxxxxxxxxxxx.

"(3) PRIVILEGES AND RIGHTS OF HOUSING COOPERATIVES - A HOUSING COOPERATIVE IS A SERVICE COOPERATIVE PRIMARILY ENGAGED IN ASSISTING OR PROVIDING ACCESS TO HOUSING FOR THE BENEFIT OF ITS MEMBERS OR OF THE COMMUNITY THE COOPERATIVE SERVES. MULTIPURPOSE COOPERATIVES OR ANY OTHER TYPE OF COOPERATIVE SHALL BE DEEMED A HOUSING COOPERATIVE FOR PURPOSES OF THIS ARTICLE WHEN IT COMBINES HOUSING SERVICES WITH ONE OR MORE OF OTHER BUSINESS ACTIVITIES AS ONE OF ITS PRIMARY PURPOSES.

" A DULY REGISTERED HOUSING COOPERATIVE SHALL HAVE PREFERENTIAL RIGHTS AS FOLLOWS:

" (A) TO APPLY FOR AND BE GRANTED AMORTIZATION SUPPORT PURSUANT TO SECTION 3 (A) OF REPUBLIC ACT NO. 6846, THE ABOT KAYA PABAHAY FUND, PROVIDED THAT THE MEMBERS OF THE COOPERATIVE OR THE NON-MEMBERS WHO ARE PART OF THE COMMUNITY THE COOPERATIVE SERVES WHO SHALL ENJOY THE PRIVILEGE OF AMORTIZATION SUPPORT MEET ALL THE QUALIFICATIONS THEREFOR AS ELIGIBLE BORROWERS FOR LEVEL A OR LEVEL B;

"(B) TO AVAIL OF THE COMMUNITY MORTGAGE PROGRAM AS A LEGALLY ORGANIZED ASSOCIATION WITH UNDERPRIVILEGED AND HOMELESS CITIZENS AS COOPERATIVE MEMBERS OR ON BEHALF OF SAID CITIZENS IN THE COMMUNITY THE COOPERATIVE SERVES PURSUANT TO THE RELEVANT PROVISIONS OF REPUBLIC ACT NO. 7279, THE URBAN DEVELOPMENT AND HOUSING ACT OF 1992."

SECTION 5. **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 or modified accordingly.

SECTION 6. - **Effectivity.** - This Act shall take effect upon its publication in at least one (1) national newspaper of general circulation.

Approved,