

NINETEENTH CONGRESS OF THE REPUBLIC OF THE PHILIPPINES First Regular Session]

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SENATE

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s.B. No. _ 820

Introduced by SEN. WIN GATCHALIAN

AN ACT PROVIDING FOR A MORATORIUM ON RENTAL PAYMENT AND EVICTION **DURING DISASTERS AND OTHER EMERGENCIES**

EXPLANATORY NOTE

The COVID-19 pandemic has not only pushed our fellow Filipinos to financial hardships, but also exacerbated and fully opened our eyes on the looming housing crisis in the country. Eviction in informal settler communities have been increasing, even during the height of quarantine restrictions due to the COVID-19 pandemic. thereby, putting at a higher risk the health of informal settler families who may not be able to find shelters for themselves.

For years, ordinary Filipinos have struggled with severe lack of affordable housing, weak tenant protections, limited social or public housing, and inadequate housing, especially during the pandemic. The Open Society Foundations find that globally, "abusive mortgage lending practices and the failure to regulate the financialization of housing have consolidated a system that reproduces housing precariousness and homelessness". According to the Commission on Human Rights, this highlights the gaps in the State's protection of the Filipino's right to housing which

^{1 &}quot;Protecting the Right to Housing during the COVID-19 crisis" by Open Society Foundations; https://www.justiceinitiative.org/publications/protecting-the-right-to-housing-during-the-covid-19crisis

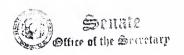
is evident in the rising homelessness and informal settlements in both urban and rural areas, and in the growing impoverished population in the Philippines.²

Accordingly, the bill aims to protect poor Filipino families from adverse effects and cushion the impact of disasters and other emergencies through moratorium on rental payment for 30 days from the termination of the state of calamity, and moratorium on eviction for the same period, since leaving them with no place to stay makes them more vulnerable. This would allow them to cope with the economic effects of the disasters and emergencies.

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

WIN GATCHALIAN

 $^{^2 \}qquad \text{https://chr.gov.ph/statement-of-chr-spokesperson-atty-jacqueline-ann-de-guia-on-the-proposed-senate-bill-imposing-a-moratorium-on-rental-payments-and-evictions-during-emergencies-and-calamities/}$



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

SECTION 1. Short Title. — This Act shall be known as "Rental Payment and Eviction Moratorium during Disasters and Emergencies Act."

SEC. 2. Declaration of Policy. — In the interest of promoting the common good and the general welfare, it is hereby declared the policy of the State to provide adequate relief and protection to those suffering from the ravages of calamities and other emergency situations.

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- SEC. 3. *Definition of Terms.* For purposes of this Act, these terms are defined as follows:
- a. "Disaster" refers to a serious disruption of the functioning of a community or a society involving widespread human, material, economic or environmental losses and impacts, which exceeds the ability of the affected community or society to cope

- using its own resources. Disasters are often described as a result of the combination of: the exposure to a hazard; the conditions of vulnerability that are present; and insufficient capacity or measures to reduce or cope with the potential negative consequences. Disaster impacts may include loss of life, injury, disease and other negative effects on human, physical, mental and social well-being, together with damage to property, destruction of assets, loss of services, social and economic
- b. "Emergency" refers to unforeseen or sudden occurrence, especially danger,demanding immediate action;

disruption and environmental degradation;

- c. "State of Calamity" refers to a condition involving mass casualty and/or major damages to property, disruption of means of livelihoods, roads and normal way of life of people in the affected areas as a result of the occurrence of natural or human-induced hazard.
- d. "Rent" refers to the amount paid for the use or occupancy of a residential unit whether payment is made on a monthly or other basis.
- e. "Residential unit" refers to an apartment, house and/or land on which another's dwelling is located and used for residential purposes and shall include not only building houses, dormitories, rooms and bedspaces offered for rent by their owners, except motels, motel rooms, hotels, hotel rooms, but also those used for home industries, retail stores or other business purposes if the owner thereof and his or her family actually live therein and use it principally for dwelling purposes.
 - f. "Lessee" refers to a person renting a residential unit.
- g. "Owner/Lessor" refers to the owner or administrator or agent of the owner of the residential unit.
- h. "Sublessor" refers to the person who leases or rents out a residential unit leased to him by an owner.
 - i. "Sublessee" refers to the person who holds a lease which was given to another person for all or part of a property.

SEC. 4. Scope of Application. — This Act shall cover disasters and other kinds of emergencies which are (1) national in scope, as stated in the Declaration of a State of Calamity or State of National Emergency by the President of the Philippines, and (2) provincial, city or municipal in scope, as declared through a State of Calamity or Emergency by the appropriate local government unit.

SEC. 5. Moratorium on Rental Payments. —There shall be a moratorium on the enforcement of payment of all fees, charges, and costs relating to the rental of residential units, whether in a lease or sublease arrangement and whether reduced in a written form or not, for the duration of the State of Calamity or Emergency mentioned in Section 4 of this Act and for thirty (30) days from the termination of said State of Calamity or Emergency: *Provided*, that if the covered period exceeds a total of sixty (60) days, the payment of the deferred fees, charges and costs shall be spread out for a six-month period of equal installments; *Provided further*, That no penalties or interests shall be collected on the payments by virtue of this Act.

The benefit of this moratorium on rental payment may be applied to commercial or office space rental of Micro, Small and Medium Enterprises (MSMEs) as defined in Republic Act (RA) No. 9501, as amended, otherwise known as the "Magna Carta for MSMEs", at the discretion of the Secretary of the Department of Trade and Industry (DTI), taking into consideration the fact of closure/shutting down of businesses, community quarantine orders, or any other circumstance that may hamper their operations.

Nothing in this Act shall prevent the contractual parties from mutually agreeing on other forms of payment relief or assistance, or from voluntarily waiving the benefit of the moratorium on rental payments.

SEC. 6. *Moratorium on Eviction.* — During the same period stated in Section 5 of this Act, the lessor, sublessor or owner of a residential unit may not make, or cause to be made, any eviction or similar legal proceeding to recover possession of the residential unit from the lessee/sublessee regardless of cause, except when a

lessee/sublessee perpetrates a criminal act that threatens the life, limb and property of the lessor, sublessor or owner, or his/her immediate family, other tenants or staff of the property in which the residential unit is located.

The benefit of this moratorium on eviction may be applied to commercial or office space rental of MSMEs as defined in RA 9501, as amended, at the discretion of the Secretary of the Department of Trade and Industry (DTI), taking into consideration the fact of closure/shutting down of businesses, community quarantine orders, or any other circumstance that may hamper their operations.

SEC. 7. Implementing Rules and Regulations. — Within sixty (60) days from the effectivity of this Act, the DTI and the Department of Human Settlements and Urban Development, in consultation with other relevant government agencies and stakeholders, shall issue the necessary rules and regulations to implement the provisions of this Act.

SEC. 8. *Repealing Clause.* — All laws, presidential decrees, executive orders, proclamations, rules and regulations, or any part thereof, which are inconsistent with the provisions of this Act are hereby repealed or modified accordingly.

SEC. 9. *Separability Clause*. — If any provision or part of this Act, or the application thereof to any person or circumstance, is held unconstitutional or invalid, the remainder of this Act shall not be affected thereby.

SEC. 10. *Effectivity*. — This Act shall take effect fifteen (15) days from its publication in the Official Gazette or in at least two (2) newspapers of general circulation.

Approved,