



SENATE

S. No. 2818

(In substitution of Senate Bill Nos. 653, 1258, and 1713,
taking into consideration House Bill No. 10172)

PREPARED AND SUBMITTED JOINTLY BY THE COMMITTEES ON
URBAN PLANNING, HOUSING AND RESETTLEMENT;
GOVERNMENT CORPORATIONS AND PUBLIC ENTERPRISES;
WAYS AND MEANS; AND FINANCE WITH SENATORS
TOLENTINO, EJERCITO, MARCOS, VILLAR (M.), AND VILLAR
(C.) AS AUTHORS THEREOF

AN ACT STRENGTHENING THE NATIONAL HOUSING
AUTHORITY BY EXTENDING ITS CORPORATE
TERM AND RATIONALIZING ITS POWERS,
REPEALING PRESIDENTIAL DECREE NO. 757
SERIES OF 1975, AS AMENDED, AND FOR OTHER
PURPOSES

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

- 1 SECTION 1. *Short Title.* – This Act shall be known as
2 the “National Housing Authority Act”.

1 SEC. 2. *Declaration of Policy.* – It is the policy of the
2 State to ensure a continuing and sustainable program for
3 urban land reform and housing which shall make
4 available, affordable, and decent housing and provide basic
5 services to underprivileged and homeless citizens, to
6 guarantee freedom from poverty, raise standard of living,
7 and improve quality of life for all.

8 The State, in partnership with stakeholders and the
9 private sector, shall:

10 (a) Expand people's access to affordable, adequate,
11 safe, and secure shelter in well-planned and sustainable
12 communities;

13 (b) Enable informal settler families to live in
14 resilient, vibrant, and connected urban communities;

15 (c) Promote inclusive and integrated housing that is
16 culturally sensitive, responsive to local context and special
17 needs, and in accordance with appropriate standards and
18 designs;

1 (d) Develop and sustain close partnerships with local
2 government units (LGUs) to enhance and streamline the
3 formulation, preparation, and implementation of housing
4 programs;

5 (e) Develop and sustain investments in the housing
6 and urban development sector by promoting partnerships,
7 improving market linkages, simplifying government
8 procedures, and facilitating access to finance, among
9 others;

10 (f) Improve access to and affordability of housing
11 programs and projects;

12 (g) Promote climate change-resilient housing and
13 basic infrastructure taking into account the importance of
14 cultural and environmental stewardship; and

15 (h) Make land available and accessible for housing.

16 SEC. 3. *Statement of Objectives.* – The State, through
17 its primary national government agency engaged in direct

1 housing production, shall endeavor to achieve the following
2 objectives:

3 (a) Develop integrated, sustainable, safe, affordable,
4 and resilient communities, particularly for
5 underprivileged, homeless, and low-income households;

6 (b) Implement innovative and alternative solutions in
7 addressing the housing needs of informal settler families,
8 the lower-income classes, and the vulnerable sector;

9 (c) Ensure efficient utilization of existing and future
10 assets to support the programs of the Authority;

11 (d) Adopt viable land acquisition and management
12 approaches;

13 (e) Promote fast and efficient response to the needs of
14 families due to natural or human-induced disasters and
15 calamities; and

16 (f) Strengthen housing as a platform to reduce
17 poverty, promote climate resilience, improve health and

1 socio-cultural outcomes, and promote economic
2 development.

3 SEC. 4. *Name and Corporate Existence.* – The
4 National Housing Authority (NHA) herein referred to as
5 the “Authority”, created by virtue of Presidential Decree
6 No. 757, series of 1975, as amended, shall continue to exist
7 as a corporate body and shall operate under the provisions
8 of this Act. It shall develop and implement a
9 comprehensive, integrated, and affordable housing
10 program. The Authority shall retain its principal office in
11 Metro Manila but may have such regional and district
12 offices, or subsidiaries in other areas all over the country,
13 as it may deem proper and necessary. The Authority shall
14 be under the administrative supervision of the Department
15 of Human Settlements and Urban Development (DHSUD)
16 pursuant to Republic Act No. 11201, or the “Department of
17 Human Settlements and Urban Development Act” and
18 shall exist for another twenty-five (25) years, commencing

1 on July 31, 2025, subject to mandatory review, as provided
2 under Section 25 of this Act.

3 SEC. 5. *Capitalization.* – The authorized
4 capitalization of the Authority shall be increased from Five
5 billion pesos (P5,000,000,000) to Ten billion pesos
6 (P10,000,000,000) which shall be fully subscribed and paid
7 by the Republic of the Philippines, as follows:

8 (a) The balance of the Five billion pesos
9 (P5,000,000,000) capitalization previously authorized shall
10 be included in the General Appropriations Act for Fiscal
11 Year 2026; and

12 (b) The remaining balance of Five billion pesos
13 (P5,000,000,000) shall be fully paid within a period of ten
14 (10) years and included in the annual General
15 Appropriations Act.

16 SEC. 6. *Powers and Functions of the Authority.* – The
17 Authority shall exercise the following powers and
18 functions:

1 I. General Powers

2 (a) Exercise the power of succession, to sue and be
3 sued, and to adopt and use a seal which shall be judicially
4 noticed;

5 (b) Enter into contracts, whenever necessary, under
6 such terms and conditions, as it may deem proper and
7 reasonable;

8 (c) Acquire property rights and interests, and
9 encumber or otherwise dispose the same, as it may deem
10 appropriate;

11 (d) Borrow funds from any source, private or
12 government, foreign or domestic;

13 (e) Receive donations, grants, bequests, and fund
14 transfers from private persons or entities and other
15 branches of the government, including LGUs, and utilize
16 the same for the attainment of its objectives. Such
17 donations, grants, and bequests shall be exempt from the
18 payment of transfer taxes and be fully deductible from the

1 gross income of the donor or grantor for income tax
2 purposes;

3 (f) Maintain a provident fund, which shall consist of
4 contributions made by both the earnings of the Authority
5 and its officers and employees, for the payment of benefits
6 to such officials and employees or their heirs under such
7 terms and conditions as it may prescribe, subject to the
8 provisions of Republic Act No. 10149, or the "GOCC
9 Governance Act of 2011", and other executive issuances;
10 and

11 (g) Perform such other acts not inconsistent with this
12 Act, as may be necessary to effect the policies and
13 objectives herein declared.

14 II. Management Services

15 (a) Formulate and enforce general and specific
16 policies for housing and resettlement according to the
17 National Housing and Urban Development Policy set by
18 the DHSUD;

1 (b) Monitor and discharge all responsibilities of the
2 government as may arise from treaties, agreements, and
3 other commitments on housing and resettlement, including
4 the determination of forms of assistance for housing
5 development to be extended through multilateral or
6 bilateral assistance programs;

7 (c) Develop and maintain a database and census of
8 households and families along waterways, in danger areas,
9 government infrastructure project sites, and government-
10 owned lands in Metro Manila and all regions nationwide,
11 which shall be used for subsequent government
12 interventions with housing and resettlement component;
13 and

14 (d) Establish a socialized and low-cost housing loan
15 restructuring and condonation program, subject to the
16 terms and conditions as the Board of Directors may
17 prescribe: *Provided*, That the following shall be excluded
18 from the program:

1 (1) any account without a single payment since
2 takeout;

3 (2) an account in which the housing unit has been
4 abandoned by the borrower for more than one (1) year from
5 the date of delinquency;

6 (3) an account in which the housing unit is occupied
7 by a third party other than the original registered
8 beneficiary or his/her legal heirs; and

9 (4) an account that has been foreclosed or for which a
10 contract to sell has been cancelled:

11 *Provided, further,* That the terms and conditions of
12 the condonation program may include the re-classification
13 of additional interest, or interest on unpaid interest, as
14 penalties, which may also be condoned.

15 III. Housing Operations and Support Services

16 (a) Develop and implement comprehensive and
17 integrated housing and urban and rural development

1 programs for qualified beneficiaries, including but not
2 limited to:

3 (1) Upgrading of informal settlement programs to
4 improve blighted urban areas, including existing
5 resettlement sites;

6 (2) Production and disposition of shelters for the
7 underprivileged and homeless including the provision of
8 housing grants and socialized housing programs pursuant
9 to Republic Act No. 7279, or the "Urban Development and
10 Housing Act of 1992";

11 (3) Resettlement of informal settler families affected
12 by government infrastructure projects and families living
13 in danger areas;

14 (4) Relocation of families subject of court-ordered
15 eviction; and

16 (5) Housing programs for low-income and homeless
17 government employees.

1 (b) Prescribe guidelines and standards for the
2 reservation, conservation, and utilization of public lands
3 identified for housing and resettlement;

4 (c) Formulate an internal control, monitoring, and
5 management system to develop a dynamic organizational
6 culture, ensure efficient operations and financial
7 sustainability, and enforce standards and parameters for
8 site selection, housing design, project management, social
9 preparation, and beneficiary selection, cost recovery and
10 grant schemes, estate management, and project close-out
11 and disengagement, consistent with applicable policies set
12 by the DHSUD;

13 (d) Strengthen participation of affected families from
14 the social preparation stage until the actual relocation
15 and resettlement. Housing programs and projects shall be
16 publicly available in a manner that provides housing
17 residents, assisted families, and other interested parties
18 an opportunity to study and comment on the measures for
19 a period not shorter than sixty (60) days. The Authority,

1 in preparing a final plan of amendments, shall consider
2 comments or views received from stakeholders. The final
3 plan, program, amendment, or report shall be made
4 available to the public;

5 (e) Provide technical assistance to LGUs in the
6 implementation of their own housing programs, or private
7 developers undertaking low-cost housing projects,
8 consistent with the standards and direction set by the
9 DHSUD;

10 (f) Undertake financing of housing programs
11 initiated by LGUs or families affected by calamities and
12 strictly monitor their implementation and completion;

13 (g) Extend shelter services to victims of calamities,
14 natural or man-made, as declared by the President;

15 (h) Expedite the processing and issuance of national
16 and local permits, licenses, and certifications in times of
17 national emergency pursuant to Republic Act No. 11517,
18 or "An Act Authorizing the President to Expedite the

1 Processing and Issuance of National and Local Permits,
2 Licenses and Certifications in Times of National
3 Emergency”;

4 (i) Support national government agencies and LGUs
5 requiring assistance in the implementation of their
6 programs and projects for socialized housing by producing
7 housing units for informal settler families and low-income
8 families identified for priority relocation, including those
9 residing in areas earmarked for national infrastructure
10 projects of the Department of Public Works and Highways
11 (DPWH) and the Department of Transportation (DOTr);
12 and

13 (j) Improve or redevelop completed housing projects
14 not yet turned over by the Authority, including the
15 demolition of previously erected structures determined to
16 be structurally unsound, subject to existing laws and
17 regulations, and the Authority’s duty to run after those
18 responsible for the structurally unsound and substandard
19 projects;

1 (k) Develop and undertake housing development and
2 resettlement projects through joint ventures or other
3 arrangements with private entities as authorized under
4 Republic Act No. 11966, otherwise known as the “Public-
5 Private Partnership (PPP) Code of the Philippines”, and
6 with relevant government agencies and LGUs to:

7 (1) ensure the implementation of sustainable
8 livelihood programs and provision of job opportunities,
9 which are responsive to the needs of its housing
10 community;

11 (2) construct basic community facilities and utilities
12 such as power, water, information and communication
13 technology (ICT) utilities, and implement urban and rural
14 development projects in permanent resettlement areas;

15 (3) strengthen convergence programs for socialized
16 housing beneficiaries; and

17 (4) enhance the efficiency and effectiveness of housing
18 projects; and

1 (l) Facilitate and accept unsolicited proposals from
2 LGUs and joint ventures with private developers, pursuant
3 to Republic Act No. 11966, in the absence of an existing
4 plan or capacity to improve resettlement sites.

5 IV. Asset Management and Business Development

6 (a) Exercise the right of eminent domain, purchase,
7 sell, or exchange lands for purposes of housing
8 development, resettlement, and other related services and
9 facilities, or lease such assets in the case of mixed-use
10 developments;

11 (b) Issue bonds or contract loans, credits, or
12 indebtedness, including suppliers' credit or any deferred
13 payment arrangements with any person or entity, domestic
14 or foreign, for the implementation of its housing programs,
15 as well as for the refinancing of its debt;

16 (c) Invest its funds, as it may deem proper, in bonds
17 and securities issued and guaranteed by the government or
18 by the *Bangko Sentral ng Pilipinas* (BSP);

1 (d) Ensure the collection and recovery of all
2 indebtedness, liabilities, and accountabilities with the
3 right to demand payment due from all obligors, whether
4 public or private. In case of failure or refusal of the obligor
5 or debtor to comply with the demand, the Authority shall
6 initiate and institute the necessary actions or suits,
7 criminal, civil, administrative, or otherwise, before the
8 courts, tribunals, commissions, boards or bodies of proper
9 jurisdiction.

10 The Authority may compromise or release, in whole
11 or in part, any interest, penalty, or obligation in connection
12 with the collection of amortizations from its awardees:
13 *Provided*, That the Authority shall have the power to
14 summarily eject and dismantle, without the necessity of
15 judicial order, any and all informal settler families, as well
16 as any illegal occupants in any homelots, apartments, or
17 dwelling units from government resettlement projects, as
18 well as properties owned or administered by it. In all these
19 cases, proper notice of ejectment, either by personal service

1 or by posting the same on the lot or door of the apartment,
2 as the case may be, shall be given to the informal settler
3 family or illegal occupant concerned at least ten (10) days
4 before the scheduled ejectment from the premises. In the
5 exercise of such power, the Authority shall promulgate
6 guidelines for the implementation of the eviction and
7 dismantling process;

8 (e) Generate additional sources of financing through
9 but not limited to PPPs or Build Operate and Transfer
10 (BOT), or any other arrangement between the government
11 and the private sector; and

12 (f) Engage in landbanking by acquiring and investing
13 in lands situated in strategic locations particularly near
14 train stations, ports, and other high-capacity transit hubs
15 for purposes of socialized housing development, in
16 coordination with the DOTr, DPWH, National Economic
17 and Development Authority (NEDA), and the DHSUD.

1 SEC. 7. *The Board of Directors; Its Composition.* –

2 The powers of the Authority shall be exercised through the
3 Board of Directors herein referred to as the “Board”, which
4 shall be composed of nine (9) members, consisting of the
5 following: Secretary of the DHSUD; Secretary of the
6 DPWH; Secretary of the Department of Finance (DOF);
7 Secretary of the Department of the Interior and Local
8 Government (DILG); Secretary of the Department of
9 Budget and Management (DBM); Director-General of the
10 NEDA; General Manager of the Authority; and two (2)
11 expert panel members with expertise in housing, urban
12 planning, and development.

13 The two (2) expert panel members shall be appointed
14 by the President of the Philippines from a shortlist
15 submitted by the Governance Commission for GOCCs
16 (GCG).

17 They must have the following qualifications: (a)
18 Filipino citizens of good moral character; (b) of recognized
19 probity and independence; (c) have distinguished

1 themselves professionally in public, civic, or academic
2 service; (d) with at least seven (7) years in the practice of
3 their professions; and (e) have not been appointed within
4 one (1) year after losing in the immediately preceding
5 elections, whether regular or special. The members of the
6 Board shall appoint their respective permanent alternates
7 who shall be officials next in rank to them and whose acts
8 shall be considered as acts of their principals with the right
9 to receive their benefits.

10 The Secretary of the DHSUD shall be the *ex-officio*
11 Chairperson of the Board. All appointive directors must
12 have qualified under the Fit and Proper Rule, as defined by
13 Republic Act No. 10149. An appointive director shall serve
14 for one (1) year, unless sooner removed for cause. The
15 director shall, however, continue to hold office until the
16 successor is appointed.

17 The Board shall meet regularly at least once a month,
18 but special meetings may be called either by the
19 Chairperson or by five (5) members of the Board, as may be

1 necessary. Five (5) members of the Board shall constitute a
2 quorum and all decisions of the Board shall require the
3 concurrence of at least five (5) members.

4 SEC. 8. *Powers and Functions of the Board.* – The
5 Board shall have the following powers and functions, as
6 well as the usual corporate powers:

7 (a) Promulgate such rules and regulations, as may be
8 necessary or proper, for the effective exercise of the powers
9 and functions, as well as the discharge of the duties and
10 responsibilities of the Board, its officers, and employees;

11 (b) Act upon the annual budget and such
12 supplemental budgets of the Authority submitted by the
13 General Manager: *Provided*, That the Board may reduce
14 but not increase any item proposed by the General
15 Manager;

16 (c) Subject to the approval of the GCG as provided
17 under Republic Act No. 10149, approve the Authority's
18 organizational and administrative structures and staffing

1 pattern, and establish, fix, review, revise, and adjust the
2 appropriate compensation package of its officers and
3 employees as submitted by the General Manager;

4 (d) Approve financial or investment schemes and
5 transactions entered into by the General Manager;

6 (e) Approve all contracts or agreements, as may be
7 necessary, for the attainment of the purposes and
8 objectives of this Act;

9 (f) Approve all memoranda of agreements, joint
10 ventures, long-term leases and management contracts with
11 the private sector, which may include real estate
12 developers or construction companies with dependable
13 reputations and proven track record in developing and
14 managing real estate ventures;

15 (g) Prescribe the policy for the condonation or
16 compromise, in whole or in part, of penalties, interests, or
17 civil liabilities imposed on beneficiaries with delinquent

1 accounts who, for justifiable reasons, failed to pay on time
2 any obligation due to the Authority;

3 (h) Approve annual reports that will be submitted to
4 the President and other special reports, as may be
5 requested; and

6 (i) Exercise such other powers necessary for the
7 attainment of the purposes of this Act.

8 SEC. 9. *Duties and Responsibilities of the General*
9 *Manager.* – The General Manager shall be appointed by
10 the President and shall have the following duties and
11 responsibilities:

12 (a) Execute and administer the policies and
13 resolutions approved by the Board and prepare its agenda;

14 (b) Direct and supervise the operations, management,
15 and internal affairs of the Authority. The General Manager
16 may delegate certain administrative responsibilities to
17 other officers of the Authority, subject to the rules and
18 regulations promulgated by the Board;

1 (c) Recommend the number and compensation of and
2 appoint the subordinate officers and personnel of the
3 Authority and remove or otherwise discipline for cause any
4 such officer or employee pursuant to the provisions of
5 Republic Act No. 10149 and laws, rules, and regulations of
6 the Civil Service Commission (CSC);

7 (d) Represent the Authority in all dealings with other
8 officers, agencies, and instrumentalities of the Government
9 and with all persons and entities, public or private,
10 domestic or foreign;

11 (e) Act on all matters that are not specifically
12 reserved to the Board by this Act;

13 (f) Solely confer house and lot or housing unit awards
14 to eligible beneficiaries based on the eligibility criteria
15 provided by the Authority;

16 (g) Adjudicate, to the exclusion of court cases filed,
17 matters questioning the propriety of house and lot or
18 housing units awards granted to the Authority's

1 beneficiaries. The Authority shall promulgate its rules and
2 regulations governing the adjudication of cases before it:
3 *Provided*, That the cases decided by the General Manager
4 may be elevated on appeal to the Secretary of the DHSUD;

5 (h) Within the limits of the authority delegated by the
6 Board, to execute contracts, incur obligations, acquire and
7 dispose of assets and documents on behalf of the Authority;

8 (i) Report and submit to the Board within thirty (30)
9 days after the close of each fiscal year, if applicable, a
10 comprehensive report of the operations of the Authority for
11 the preceding year, and the state of its affairs;

12 (j) Prepare and submit to the DBM budget proposals
13 for inclusion in the National Expenditure Program (NEP),
14 as approved by the Board; and

15 (k) Exercise such other powers and duties as may be
16 vested by the Board.

17 SEC. 10. *Assistant General Managers.* – The General
18 Manager shall be assisted by three (3) Assistant General

1 Managers, who shall be appointed by the President, upon
2 the recommendation of the General Manager. The General
3 Manager is further authorized to delineate and assign
4 other functional areas or responsibilities of the Assistant
5 General Managers.

6 SEC. 11. *Qualifications and Appointment.* – The
7 General Manager and Assistant General Managers of the
8 Authority must be citizens and residents of the
9 Philippines, of good moral character, of proven integrity,
10 competence, and expertise in housing, urban planning, and
11 development, and must have qualified under Section 16 of
12 Republic Act No.10149.

13 SEC. 12. *Organizational Structure and Staffing*
14 *Pattern.* – Subject to the approval of the GCG, the Board
15 shall determine the Authority's organizational structure,
16 and create new divisions or units as it may deem
17 necessary, in accordance with civil service laws, rules, and
18 regulations.

1 Subject to the approval of the GCG, as provided
2 under Sections 8 and 9 of Republic Act No. 10149, the
3 General Manager shall likewise determine the rates of
4 allowances, honoraria, and other additional compensation
5 of its officers, technical staff, and consultants, including
6 necessary detailed personnel.

7 SEC. 13. *Disaster and Emergency Response Housing*
8 *Office (DERHO).* – There shall be a DERHO under the
9 Authority which shall formulate plans and programs
10 addressing the needs of displaced families due to natural
11 and human-induced disasters and calamities, and ensure
12 effective implementation of post-disaster or emergency
13 housing programs through sustainable, integrated,
14 multi-sectoral, and community-based approaches and
15 strategies, in coordination with the LGUs.

16 SEC. 14. *Exemption from Taxes and Regulatory Fees.* –
17 All laws to the contrary notwithstanding, the Authority, its
18 assets and properties, and all accruals thereto and income
19 or investment earnings therefrom, as well as supplies,

1 equipment, papers, or documents, shall be exempt from
2 any tax, assessment, fee, charge, or customs or import duty
3 of any kind, whether imposed by local or national entities.

4 The exemption includes, but is not limited to, the
5 following: income tax, real property tax, capital gains tax,
6 transfer tax, value-added tax, donor's tax, and similar
7 taxes, and building permit fee, fire inspection permit fee,
8 environmental compliance certificate (ECC) fees, and other
9 regulatory fees. The Authority shall be exempt from the
10 payment of documentary stamp tax and registration fees,
11 including fees required for the issuance of transfer
12 certificates of titles.

13 SEC. 15. *Lands for Authority Projects, Management,*
14 *Conversion, and Classification.* – Lands identified and
15 designated for Housing and Urban and Rural
16 Development, pursuant to Section 24 of Republic Act
17 No. 11201, shall be assessed by the Authority for program
18 or project feasibility. Should the site evaluation be in the

1 affirmative, said lots may be transferred to the Authority
2 for administration.

3 This shall not, however, preclude the Authority from
4 pursuing its continuing mandate of identifying, acquiring,
5 and managing lands for the immediate and future needs of
6 its beneficiaries. In pursuit thereof, the Authority must
7 consider, among others, the degree of availability of basic
8 services and utilities, access to modes of transport,
9 proximity to economic opportunities, and the preservation
10 of the social capital of beneficiaries.

11 Subject to the approval of concerned government
12 agencies, lands identified and approved by the Authority
13 for rehabilitation projects to be developed within areas
14 declared to be under a state of calamity by the President or
15 any competent authority or upon the recommendation of
16 the National Disaster Risk Reduction and Management
17 Council (NDRRMC) or any Local Disaster Risk Reduction
18 Management Council (LDRRMC), shall be converted
19 and/or re-classified, to facilitate its immediate

1 development. For purposes of site selection under this
2 modality, the Authority shall be guided by the hierarchy of
3 priorities in the acquisition of land under Section 9 of
4 Republic Act No. 7279, and ensure that protected lands,
5 under special laws such as Republic Act No. 8371, or the
6 "Indigenous Peoples' Rights Act of 1997" and Republic Act
7 No. 6657, or the "Comprehensive Agrarian Reform Law of
8 1988", as amended, and other agrarian reform laws, shall
9 be preserved for equally important land uses. The
10 Authority, in coordination with the DHSUD, the DILG, the
11 Department of Agriculture (DA), the Department of
12 Agrarian Reform (DAR), the Department of Environment
13 and Natural Resources (DENR), and the National
14 Commission on Indigenous Peoples (NCIP) shall craft the
15 necessary rules and regulations to implement this
16 provision within one hundred eighty (180) days after the
17 approval of the Act.

18 The conversion and reclassification of lands for
19 housing projects shall be without prejudice to the rights of

1 the beneficiaries under Republic Act No. 6657, as
2 amended.

3 The Authority, under the supervision of the DHSUD,
4 shall take the lead in the disposition of activities of the
5 lands intended for calamity victims: *Provided*, That the
6 Authority, in coordination with the LGUs, shall determine
7 the beneficiaries according to existing rules and
8 regulations and undertake the identification and
9 evaluation of lands suitable for disposition.

10 SEC. 16. *Management or Disposition of Completed*
11 *Projects.* – The Authority shall determine, establish, and
12 maintain the most feasible and effective program for the
13 management or disposition of specific housing or
14 resettlement projects. Unless otherwise decided by the
15 Board, completed housing or resettlement projects shall be
16 managed and administered by the Authority until it has
17 been turned over to the concerned LGU or other concerned
18 public or private entity, as the case may be.

1 SEC. 17. *Cancellation of Awards.* – The Authority
2 shall be authorized to revoke the award of beneficiaries of
3 unoccupied and abandoned socialized housing units,
4 consistent with the constitutional requirement of due
5 process: *Provided,* That these housing units have been
6 unoccupied and abandoned for at least one (1) year since
7 the disposition of the housing unit to the beneficiary, or
8 abandoned after occupancy for a span of one (1) year:
9 *Provided, further,* That in case of occupation of housing
10 units by a party other than the beneficiary or any member
11 of the household, the award to the original beneficiary
12 shall be revoked.

13 SEC. 18. *Issuance of Bonds.* – Subject to the approval
14 of the Secretary of the DOF, after consultation with the
15 Monetary Board of the BSP, the Authority is hereby
16 authorized to issue bonds and other securities to finance
17 the implementation of its housing programs: *Provided,*
18 That only such bonds or securities required by the annual
19 project implementation shall be issued and sold: *Provided,*

1 *further*, That no bonds or securities shall be issued unless
2 eighty percent (80%) of those already issued have been
3 sold: *Provided, finally*, That the total amount of the bonds
4 or securities issued shall in no case exceed ten (10) times
5 its paid-up capital and surplus. The Authority, in
6 consultation with the Secretary of the DOF and the
7 Monetary Board, shall prescribe the form, rate of interest,
8 and denominations, maturities, negotiability, call or
9 redemption features, and all other terms and conditions of
10 the bonds and securities to be issued.

11 In promoting the sale of bonds or securities, the
12 Authority is authorized to adopt the lottery scheme
13 provided under existing laws, rules, and regulations.

14 The bonds and securities issued under this Act,
15 including the income thereof, shall be exempt from all
16 kinds of taxes and from attachment, execution, and
17 seizure, which facts shall be stated on the face thereof.

18 SEC. 19. *Guarantee by the Government.* – The
19 Republic of the Philippines may guarantee the payment of

1 both the principal and the interest of the bonds,
2 debentures, collaterals, notes, or such other obligations
3 issued or incurred by the Authority by virtue of this Act,
4 and may pay such principal and interest in case the
5 Authority fails to do so. In such event, the Republic of the
6 Philippines shall succeed to all the rights of the holders of
7 such bonds, debentures, collaterals, notes, or other
8 instruments to the extent of the payment made, unless the
9 sum paid by the Republic of the Philippines is refunded by
10 the Authority within a reasonable time: *Provided*, That the
11 issuance of the Republic of the Philippines guarantee shall
12 be subject to necessary approvals from appropriate
13 agencies such as the DOF, the Monetary Board, and the
14 Office of the President.

15 SEC. 20. *Reports.* – The Authority, upon approval of
16 the Board, shall submit an annual report to the Office of
17 the President, copy furnished the DHSUD, indicating,
18 among others, the housing program being implemented,
19 the stage of implementation, and the financial position of

1 the Authority. It shall likewise submit such periodic or
2 other reports, as may be required, from time to time.

3 SEC. 21. *Audit.* – The Chairperson of the Commission
4 on Audit (COA) shall appoint a representative and other
5 subordinate personnel to perform and report on such audit
6 duties, responsible to and removable only by the COA
7 Chairperson.

8 SEC. 22. *Establishment and Upgrading of*
9 *Operational Systems.* – Within one (1) year after the
10 approval of this Act and its implementing rules and
11 regulations, the Authority shall establish and maintain the
12 following systems and mechanisms to ensure the effective
13 performance of its mandate:

14 (a) Debt collection management;

15 (b) Information technology system that will integrate
16 the records and database of the different regional offices to
17 facilitate exchange of information and records
18 management;

1 (c) Database management system including but not
2 limited to:

3 (1) Census of households and families living along
4 waterways, danger areas, government infrastructure
5 project sites, and government-owned lands in Metro
6 Manila and all regions nationwide;

7 (2) Lot awards and billing information;

8 (3) Beneficiary profiling; and

9 (4) Financial management; and

10 (d) Internal control system to improve management,
11 administration of properties, and disposition of programs.

12 SEC. 23. *Transitory Provision.* – Nothing in this Act
13 shall operate to abolish the Authority and affect the
14 validity or legality of any right, duty, or obligation created
15 by or in respect of the Authority prior to the effectivity of
16 this Act. The Authority shall continue to assume all rights,
17 obligations, and liabilities that it had during the effectivity
18 of its original charter.

1 The DHSUD shall cause the Board to deliberate and
2 reach agreements on the reorganization of the Authority,
3 pursuant to Republic Act No. 11201, especially with regard
4 to the mandates of the Authority and its relations to other
5 key shelter agencies (KSAs) and LGUs. An advisory group
6 composed of the GCG, NEDA, and the DHSUD shall assist
7 the Board in formalizing the reorganization as it pertains
8 to the Authority.

9 The DHSUD shall ensure the translation of the KSA
10 reorganization into operational approaches, staffing
11 patterns, and resources for the Authority. In support of the
12 Board, the NEDA and GCG shall periodically evaluate the
13 fitness of the programs, activities, projects, and personnel
14 deployment of the Authority, corresponding to its revised
15 role.

16 SEC. 24. *Absorption or Separation from Service of*
17 *Employees.* – The existing employees of the Authority
18 holding permanent appointments, shall enjoy security of
19 tenure and shall be given priority by the Authority in

1 filling up the positions that may be created upon the
2 approval of the new organizational staffing pattern. The
3 formulation of the new organizational staffing pattern
4 shall be completed within one (1) year after the effectivity
5 of this Act and be implemented within a period of six (6)
6 months thereafter.

7 Employees who opt to be separated from the service
8 shall, within one (1) month from separation, receive
9 separation benefits in accordance with existing laws. Those
10 who are qualified may retire and be entitled to all the
11 benefits provided under existing retirement laws.

12 SEC. 25. *Mandatory Review.* – Five (5) years after the
13 effectivity of this Act, and every five (5) years thereafter,
14 the DHSUD, COA, and GCG shall conduct a systematic
15 evaluation of the Authority, its performance, and
16 organizational structure and, if necessary, recommend the
17 reorganization, consolidation, or abolition and transition of
18 the Authority. Indicators shall include housing production,
19 occupancy rates, collection efficiency, number of families

1 served, findings of the COA, and beneficiary feedback. This
2 evaluation report shall be released and made available to
3 stakeholders and the public.

4 SEC. 26. *Implementing Rules and Regulations.* – The
5 Authority shall formulate the implementing rules and
6 regulations necessary to effectively carry out the provisions
7 of this Act which shall be approved and promulgated by
8 the Board of Directors of the Authority not later than
9 ninety (90) days after the approval of this Act.

10 SEC. 27. *Separability Clause.* – If any provision of
11 this Act is declared invalid or unconstitutional, the
12 remainder thereof not otherwise affected shall remain in
13 full force and effect.

14 SEC. 28. *Repealing Clause.* – Presidential Decree
15 No. 757, series of 1975, as amended, is hereby repealed.
16 All laws, presidential decrees, executive orders, letters of
17 instruction, proclamations, or administrative regulations
18 that are inconsistent with the provisions this Act are
19 hereby repealed, amended, or modified accordingly.

- 1 SEC. 29. *Effectivity.* – This Act shall take effect after
2 fifteen (15) days from its publication in the *Official Gazette*
3 or in a newspaper of general circulation.

Approved,