

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

SENATE  
S.B. No. 1203

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INTRODUCED BY SEN. MANNY VILLAR

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#### EXPLANATORY NOTE

Shelter is universally recognized by the community of nations as one of the basic needs of man. To live in a home and to have one's own place to reside with peace, security and dignity is everyone's dream. Unfortunately, a great number of Filipinos, among them teachers, still do not have a house of their own, despite various housing programs being administered by different national shelter agencies, such as the Home Development Mutual Fund (PagIBIG Fund), the National Housing Authority (NHA), the Government Service Insurance System (GSIS) and the Social Security System (SSS).

Despite being considered as one of the main pillars of a sound and progressive society since they bear the weight and responsibility of imparting knowledge and values to children, the low-salaried teachers are being left out as recipients to these programs mainly because of the strict financial requirements for a housing loan nowadays. It is just but proper and fitting that the government should recognize their efforts and sacrifices by allotting a portion of its budget for their shelter needs. Moreover, as teachers are considered among the catalysts for national recovery, there is a need to provide them affordable housing units to boost their morale and improve their quality of life.

This bill, therefore, aims to provide affordable housing units to teachers at a fixed low-interest rate with easy payment schemes and long term payment period by institutionalizing a Housing Program for qualified Public School Teachers who have served at least five (5) years. To effectively implement the provisions of this Act, a Housing Secretariat in every regional office of the Department of Education (DepEd) shall be established which shall serve as a liaison office for the applicant-public school teachers. Under the proposed measure, participating non-government organizations (NGOs) and other private development corporations or entities to the Program shall be granted tax incentives.

It is believed that this special benefit will attract others to enter into the noble profession of teaching.

In view of the foregoing, early passage of this proposed measure IS earnestly requested.

  
MANNY VILLAR

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**AN ACT  
TO INSTITUTIONALIZE A HOUSING PROGRAM FOR PUBLIC SCHOOL  
TEACHERS, APPROPRIATING FUNDS THEREFOR AND FOR OTHER PURPOSES**

*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 "Public School Teachers Housing Program Act."

**SECTION 2. Declaration of Policy.** It is hereby declared the policy of the State to promote sustainable human development by providing its people with decent and adequate housing units at affordable costs. Pursuant to this policy and to improve the quality of life of public school teachers, there is a need to institutionalize a Housing Program in the Department of Education (DepEd) that shall provide them the opportunity to have a house of their own.

**SECTION 3. The Public School Teachers Housing Program.** -The Public School Teachers Housing Program, hereinafter referred to as the "Program", shall be institutionalized to provide housing loans strictly to qualified public school teachers for an affordable housing units. It shall be administered by the DepEd and shall have the following special features:

- a) Payable within a period of twenty (20) to thirty (30) years, depending upon the age of teachers at the time of approval of the housing loan application;
- b) With a fixed interest rate of five percent (5%) per annum; and
- c) Payment of equity of not more than five percent (5%) of the total purchased price of the property.

**SECTION 4. Creation of a Housing Secretariat in DepEd.** -There shall be created a Housing Secretariat in every regional office of the DepEd which shall have the following functions:

- a) Issue loan application forms and collect the necessary documents;
- b) Receive and process housing loan applications;
- c) Transmit the necessary documents to the appropriate housing agencies;
- d) Deduct amortization from teachers on a monthly basis and remit the same to the concerned financing agencies;
- e) Provide data on various government and private financing institutions for housing loans; and
- f) Encourage the participation of local government units (LGUs), nongovernmental organizations (NGO's) and private development corporations or entities.

**SECTION 5. Eligibility to the Housing. Program.** -Any public school teacher who possesses the following qualifications shall be eligible to the Program, to wit:

- a) He or she has a permanent appointment status;
- b) He or she has rendered at least five (5) years teaching service;
- c) He or she does not own any housing' unit;
- d) He or she has not yet availed of any housing program; and
- e) He or she is not over sixty-five (65) years of age at the time of the filing of loan application and must be insurable.

**SECTION 6. Prohibition.** -Sale or conveyance of the property subject of the loan agreement or transfer of rights thereto shall be strictly prohibited, unless the transfer shall be made in favor of a family member up to the second (2nd) degree by consanguinity of the concerned public school teacher, or in the absence thereof, to another qualified public school teacher.

**SECTION 7. Financing Schemes of the Program.** -The Program shall provide the following financing schemes for the:

- a) Purchase of a lot and construction of a residential unit thereon;
- b) Purchase of any of the following:
  - 1) Brand-new or old existing units;
  - 2) Housing properties mortgaged with any institution; and
  - 3) Foreclosed properties being disposed of through public bidding or negotiated sale.
- c) Purchase of a fully developed lot within a residential area;
- d) Construction of a residential unit on a lot owned by the beneficiary; and
- e) Housing units offered at housing fairs by government financial institutions, NGOs and private development corporations or entities.

**SECTION 8. Participation of LGUs, NGOs and Private Development Corporations or Entities.** -Participating LGUs, NGOs and private development corporations or entities shall be directed to identify possible housing sites for purposes' of this Act.

**SECTION 9. Incentives to NGOs and Private Development Corporations or Entities Participating in the Program.** -All transactions with respect to the implementation of this Program actively undertaken by NGOs and private development corporations or entities, shall, be exempted from capital gains, documentary stamp, value-added and transfer taxes,

**SECTION 10. Appropriations.** -For the initial implementation of this Act, the amount of One Hundred Million Pesos (P100,000,000.00), shall be appropriated out of the funds from the National Government not otherwise appropriated. Thereafter, the amount necessary to carry out the provisions of this Act shall be included in the budgetary allocations for the DepEd in the annual General Appropriations Act.

**SECTION 11. Implementing Rules and Regulations.** -The DepEd, in coordination with the Home Development Mutual Fund (Pag-IBIG Fund), the National Housing Authority (NHA), the National Home Mortgage Finance Corporation (NHMFC), the Home Guarantee Corporation (HGC) , the Government Service Insurance System (GSIS), the Social Security System (SSS) and the Department of Interior and Local Government (DILG), shall promulgate the necessary rules and regulations to effectively implement the provisions of this Act; Provided, That all existing housing programs for public school teachers shall be incorporated under the Program.

**SECTION 12. Annual Report.** -Within ninety (90) days after the end of every fiscal year, the DepEd shall render an annual report of its accomplishment to Congress and to the office of the President.

**SECTION 13. Separability Clause.** - If any part or provision of this Act is held unconstitutional or invalid, the other parts or provisions hereof which are not affected thereby shall continue to be in full force and effect.

**SECTION 14. Repealing Clause.** - All laws, orders, rules or regulations which are inconsistent with or contrary to the provisions of this Act are hereby amended or repealed accordingly.

**SECTION 15. EFFECTIVITY** -This Act shall take effect fifteen (15) days after its publication in at least two (2) national newspapers of general circulation.

Approved,