

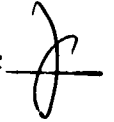
SEVENTEENTH CONGRESS OF THE REPUBLIC
OF THE PHILIPPINES
First Regular Session



Senate
Office of the Secretary

16 JUL 20 P3:29

SENATE
S.B. No. **682**

RECEIVED BY: 

Introduced by: Senator Paolo Benigno "Bam" A. Aquino IV

AN ACT
STRENGTHENING AND SECURING THE RIGHTS OF THE URBAN POOR AGAINST EVICTIONS
AND/OR DEMOLITIONS AND TO PROVIDE ADEQUATE HOUSING AMENDING FOR THIS
PURPOSE REPUBLIC ACT NO. 7279 OTHERWISE KNOWN AS "AN ACT TO PROVIDE FOR A
COMPREHENSIVE AND CONTINUING URBAN DEVELOPMENT AND HOUSING PROGRAM,
ESTABLISH THE MECHANISM FOR ITS IMPLEMENTATION, AND FOR OTHER PURPOSES" OR
THE "URBAN DEVELOPMENT AND HOUSING ACT OF 1992"

EXPLANATORY NOTE

One of the key issues hounding the urban poor is that of housing and relocation. According to the Philippine Development Plan for 2010 to 2016, the country's total housing need, including "backlog" and "housing for new households," is estimated to reach around 5.9 million units by 2016. Informal settlements have increased by more than 22% (or 1.2 million) between 2003 and 2009. Meanwhile, other data show that the Philippines' annual expenditure for housing accounts for less than 0.1 of the country's gross domestic product (GDP)—the lowest figure in Asia.

Clearly, much more needs to be done for the country's urban poor. To provide security of shelter is an urgent first step.

No less than the Philippine Constitution provides for the protection of the marginalized, the powerless, and the oppressed citizens of this country against any violent eviction and/or demolition. It likewise mandates the provision of decent public housing at affordable costs, coupled with basic services and livelihood opportunities. Section 10, Article XIII of the Constitution states that "urban or rural poor dwellers shall not be evicted nor their dwelling demolished, except in accordance with law and in a just and humane manner."

To carry out this constitutional mandate, Republic Act (RA) No. 7279 or the Urban Development and Housing Act was enacted to, among others, "uplift the conditions of the underprivileged and homeless citizens in urban areas and in resettlement areas" and "provide for an equitable land tenure system that shall guarantee security of tenure to Program beneficiaries." However, recent incidences of violent evictions and demolitions show the gaps of the current law, requiring the review and amendment of the law.

This bill, therefore, strengthens the Urban Development and Housing Act by further securing the urban poor from violent and unjust evictions and demolition of their homes. It also seeks to ensure that, in the case of relocation, housing beneficiaries be relocated near their homes where they have access not only to basic services but also, and just as important, to jobs and livelihood that will give them the means to raise themselves and their families out of poverty.

The bill further provides that consultation must be effectively done with the active participation of affected communities, particularly in the identification and approval of relocation sites. This also expands the mandate of the law by requiring developers to develop an area for socialized housing equivalent to at least twenty percent (20%) of the total area or project cost—at the option of the developer—not only on proposed subdivision projects but all other land development projects.

This bill also broadens the penalties on violations of the Urban Development and Housing Act.

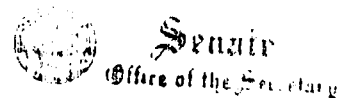
The country's inclusive growth imperative demands that no sector of society be left behind in progress and development. We firmly believe that it is the duty of the State to protect those who are unable to protect themselves. As the great late President Ramon Magsaysay had once said, "He who has less in life should have more in law."

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

A handwritten signature in black ink, appearing to read "Bam Aquino". The signature is fluid and cursive, with the first name "Bam" being more prominent.

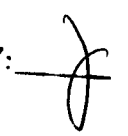
Senator Paolo Benigno "Bam" A. Aquino IV

SEVENTEENTH CONGRESS OF THE REPUBLIC)
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SENATE
S.B. No. 682

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Introduced by: Senator Paolo Benigno "Bam" A. Aquino IV

AN ACT
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PURPOSE REPUBLIC ACT NO. 7279 OTHERWISE KNOWN AS "AN ACT TO PROVIDE FOR A
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ESTABLISH THE MECHANISM FOR ITS IMPLEMENTATION, AND FOR OTHER PURPOSES" OR
THE "URBAN DEVELOPMENT AND HOUSING ACT OF 1992"

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

1 **SECTION 1.** Section 3 of Republic Act 7279 is hereby amended to read as follows:

2 Sec. 3. **Definition of Terms.** — For purposes of this Act:

3 x x x

4 (C) "BLANKET LOAN/WHOLESALE LOAN" — SHALL REFER TO A HOUSING LOAN
5 CONTRACTED OR OBTAINED BY A HOUSING COOPERATIVE INTENDED TO IDENTIFY
6 MEMBER-BENEFICIARIES FOR LAND ACQUISITION, LAND IMPROVEMENT, HOUSE
7 CONSTRUCTION, HOME IMPROVEMENT, OR RENOVATION AND OTHER SIMILAR
8 PURPOSES.

9 x x x

10 F) "DANGER ZONE/HIGH RISK AREAS" REFERS TO AREAS WITH HIGH LEVEL OF THREAT TO
11 THE LIVES AND WELL-BEING OF PEOPLE THAT CANNOT BE ADDRESSED THROUGH
12 SCIENTIFIC, PHYSICAL AND ENGINEERING METHODS, AND THUS NOT SUITABLE FOR
13 RESETTLEMENT AND PERMANENT STRUCTURES. AREAS CAN ONLY BE DECLARED AS A
14 DANGER ZONE/HIGH RISK AREA AFTER CONDUCTING A PROPER TECHNICAL STUDY AND
15 PUBLIC CONSULTATIONS WITH AFFECTED FAMILIES.

16 (G) "HOUSING COOPERATIVES" AS DEFINED IN THE COOPERATIVE CODE OF 2008 (RA
17 9520), REFERS TO COOPERATIVES ORGANIZED TO ASSIST OR PROVIDE ACCESS TO
18 HOUSING FOR THE BENEFIT OF ITS REGULAR MEMBERS WHO ACTIVELY PARTICIPATE IN

1 **THE SAVINGS PROGRAM FOR HOUSING. IT IS CO-OWNED AND CONTROLLED BY ITS**
2 **MEMBERS.**

3 x x x

4 Q) "Resettlement areas" refers to areas identified by the appropriate national agency or by
5 the LGU with respect to areas within its jurisdiction, which shall be used for the relocation of
6 the underprivileged and homeless citizens. **THE RESETTLEMENT AREAS MUST BE WITHIN**
7 **THE SAME CITY OR MUNICIPALITY UNLESS IT IS SUBSTANTIALLY PROVEN THAT SUCH IS**
8 **NOT FEASIBLE OR PRACTICABLE.**

9 x x x"

10 **SECTION 2.** Section 5 of Republic Act 7279 is hereby amended to read as follows:

11 "Section 5. Exemptions. – The following lands shall be exempt from the coverage of
12 this Act:

13 a) Those included in the coverage of Republic Act No. 6657, otherwise known
14 as the Comprehensive Agrarian Reform Law;

15 b) Those actually used for national defense and security of the State;

16 c) Those used, reserved or otherwise set aside for government offices,
17 facilities and other installations, whether owned by the National
18 Government, its agencies and instrumentalities, including government-
19 owned or controlled corporations, or by the local government units:
20 Provided, however, That the lands herein mentioned, or portions thereof,
21 which have not been used for the purpose for which they have been reserved
22 or set aside for the past ten (10) years from the effectivity of this Act, shall be
23 covered by this Act;

24 d) Those used or set aside for parks, reserves for flora and fauna, forests and
25 watersheds, and other areas necessary to maintain ecological balance or
26 environmental protection, as determined and certified to by the proper
27 government agency; and

28 e) Those actually and primarily used for religious, charitable, or educational
29 purposes, cultural and historical sites, hospitals and health centers, and
30 cemeteries or memorial parks.

31
32 The exemptions herein provided shall not apply when the use or purpose of the
33 abovementioned lands has ceased to exist;

34 **PROVIDED, THAT ANY EVICTION OR DEMOLITION ON THE AFOREMENTIONED**
35 **LANDS SHALL STILL COMPLY STRICTLY WITH SECTION 28 HEREOF BEFORE ANY**
36 **DEMOLITION OR EVICTION CAN BE EFFECTED."**

1 **SECTION 3.** Section 8 of Republic Act 7279 is hereby amended to read as follows:

2 "Section 8. Identification of Sites for Socialized Housing. - After the inventory the
3 local government units, in coordination with the National Housing Authority, the
4 Housing and Land Use Regulatory Board, the National Mapping Resource
5 Information Authority, and the Land Management Bureau, shall identify lands for
6 socialized housing and resettlement areas for the immediate and future needs of the
7 underprivileged and homeless in the urban areas, taking into consideration and
8 degree of availability of basic services and facilities, their accessibility and proximity
9 of jobs sites and other economic opportunities, and the actual number of registered
10 beneficiaries.

11 Government-owned lands under paragraph (b) of the preceding section which have
12 not been used for the purpose for which they have been reserved or set aside for
13 the past ten (10) years from the effectivity of this Act and certified as suitable for
14 socialized housing, shall **AUTOMATICALLY** [immediately] be transferred to the
15 National Housing Authority [subject to the approval of the President of the
16 Philippines or by the local government unit concerned, as the case may be,] for
17 proper disposition in accordance with this Act."

18 **SECTION 4.** Section 10 of Republic Act 7279 is hereby amended to read as follows:

19 "Section 10. Modes of Land Acquisition. - The modes of acquiring lands for purposes
20 of this Act shall include, among others, community mortgage, **HOUSING**
21 **COOPERATIVE PROJECT**, land swapping, land assembly or consolidation, land
22 banking, donation to the Government, joint-venture agreement, negotiated
23 purchase, and expropriation: [Provided, however, That expropriation shall be
24 resorted to only when other modes of acquisition have been exhausted.] Provided,
25 [**further**] that where expropriation is resorted to, parcels of land owned by small
26 property owners shall be exempted for purposes of this Act: Provided, finally, that
27 abandoned property, as herein defined, shall be reverted and escheated to the State
28 in a proceeding analogous to the procedure laid down in Rule 91 of the Rules of
29 Court.

30 **IN THE CASE OF EXPROPRIATION, A DEPOSIT OF TEN PERCENT (10%) OF THE**
31 **MARKET VALUE OF THE LAND, AS INDICATED IN THE TAX DECLARATION, SHALL BE**
32 **MADE IN ACCORDANCE WITH LAWS. JUST COMPENSATION SHALL BE DETERMINED**
33 **AS PROVIDED BY THE RULES OF COURT.**

34 For the purpose of socialized housing, government-owned and foreclosed properties
35 shall be acquired by the local government units, or by the National Housing
36 Authority primarily through negotiated purchase: Provided, that qualified
37 beneficiaries who are actual occupants of the land shall be given the right of first
38 refusal."

39 **SECTION 5.** Section 16 of Republic Act 7279 is hereby amended to read as follows:

1 "Section 16. Eligibility Criteria for Socialized Housing Program Beneficiaries. - To
2 qualify **AS A BENEFICIARY** for the socialized housing program, [a beneficiary] **THE**
3 **REQUIREMENTS ARE LIMITED TO THE FOLLOWING:**

4 (a) Must be a Filipino citizen;

5 (b) Must be an underprivileged and homeless citizen, as defined in Section 3
6 of this Act;

7 (c) Must not own any real property whether in the urban or rural areas; and

8 (d) Must not be a professional squatter or a member of squatting syndicates.

9 **THERE SHALL BE NO CUT-OFF DATE FOR ONE TO BE CONSIDERED A BENEFICIARY**
10 **UNDER THIS ACT."**

11 **SECTION 6.** Section 18 of Republic Act 7279 is hereby amended to read as follows:
12

13 "Section 18. Balanced Housing Development. The Program shall include a system to
14 be specified in the Framework plan whereby developers of proposed subdivision
15 projects, **CONDOMINIUMS, MEMORIAL PARKS, GOLF COURSES AND ALL OTHER**
16 **LAND DEVELOPMENT PROJECTS** shall be required to develop an area for socialized
17 housing equivalent to at least twenty percent (20%) of the total [subdivision] **LAND**
18 area sought to be developed or total [subdivision] **LAND DEVELOPMENT** project
19 cost, at the option of the developer, within the same city or municipality, whenever
20 feasible, and in accordance with the standards set by the Housing and Use and
21 Regulatory Board and other existing laws. **SUCH OPTION OF THE DEVELOPER MUST**
22 **BE CLEARLY DEFINED AND MADE MANIFEST IN ITS APPLICATION FOR THE PROJECT.**
23 **FURTHERMORE, THE SAID 20% COMPLIANCE MUST BE WITHIN THE SAME CITY OR**
24 **MUNICIPALITY. ONLY WHEN THE DEVELOPER HAS SUBSTANTIALLY PROVEN THAT**
25 **SUCH COMPLIANCE IS NOT FEASIBLE IN THE SAME CITY OR MUNICIPALITY CAN**
26 **SUCH COMPLIANCE BE MADE OUTSIDE THEREOF. IN THE CASE OF THE LATTER,**
27 **SAID COMPLIANCE MUST BE MADE IN THE ADJACENT CITY OR MUNICIPALITY**
28 **WHERE THE PROJECT IS TO BE UNDERTAKEN UNLESS OTHERWISE APPROVED BY**
29 **THE LOCAL SANGGUNIAN AND ONLY AFTER A FAVORABLE RECOMMENDATION**
30 **FROM THE LOCAL HOUSING BOARD OR SIMILAR OFFICE.**

31
32 The balanced housing development as herein required may be complied with by the
33 developers concerned in [any of] the following manner:
34

35 a) Development of new settlement;

36 b) Slum upgrading or renewal of areas for priority development either
37 through zonal improvement programs or slum improvement and
38 resettlement programs;

1 c) Joint-venture projects with either the local government units or any of the
2 housing agencies; or

3 d) Participation in the community mortgage program."

4 **SECTION 7.** Section 23 of Republic Act 7279 is hereby amended to read as follows:

5 "Section 23. Participation of beneficiaries. The local government units, in
6 coordination with the Presidential Commission for the Urban Poor and concerned
7 government agencies, shall afford Program beneficiaries or their duly designated
8 representatives an opportunity to be heard and to participate in the decision-making
9 process over matters involving the protection and promotion of their legitimate
10 collective interest which shall include [appropriate documentation and feedback
11 mechanisms], **THE IDENTIFICATION, NEGOTIATION AND APPROVAL OF THE**
12 **LOCATION OF RELOCATION SITES. CONSULTATIONS SHALL INCLUDE APPROPRIATE**
13 **DOCUMENTATION AND FEEDBACK MECHANISMS.** They shall also be encouraged to
14 organize themselves and undertake self-help cooperative housing and other
15 livelihood activities. They shall assist the government in preventing the incursions of
16 professional squatting syndicates into their communities.

17 In the instances when the affected beneficiaries have failed to organize themselves
18 or form an alliance within a reasonable period prior to the implementation of the
19 program or projects affecting them, consultation between the implementing agency
20 and the affected beneficiaries shall be conducted with the assistance of the
21 Presidential Commission for the Urban Poor and the concerned non-government
22 organization."

23 **SECTION 8.** Section 28 of Republic Act 7279 is hereby amended to read as follows:

24 "Section 28. Eviction and Demolition. Eviction or demolition as a practice shall be
25 discouraged. Eviction or demolition [, however,] may **ONLY** be allowed under the
26 following situations:

27 a) When persons or entities occupy danger areas such as esteros, railroad
28 tracks, garbage dumps, riverbanks, shorelines, waterways, and other public
29 places such as sidewalks, roads, parks, and playgrounds; and

30 b) When government infrastructure projects with available funding are about
31 to be implemented.

32 c) When there is a court order for eviction and demolition.

33 In the execution of eviction or demolition orders involving underprivileged and
34 homeless citizens, the following shall be mandatory:

1 (1) Notice upon the effected persons or entities at least thirty (30) days prior
2 to the date of eviction or demolition;

3 (2) Adequate consultations on the matter of resettlement with the duly
4 designated representatives of the families to be resettled and the affected
5 communities in the areas where they are to be relocated;

6 (3) Presence of local government officials or their representatives during
7 eviction or demolition;

8 (4) Proper identification of all persons taking part in the demolition;

9 (5) Execution of eviction or demolition only during regular office hours from
10 Mondays to Fridays and during good weather, unless the affected families
11 consent otherwise;

12 (6) No use of heavy equipment for demolition except for structures that are
13 permanent and of concrete materials;

14 (7) Proper uniforms for members of the Philippine National Police who shall
15 occupy the first line of law enforcement and observe proper disturbance
16 control procedures.

17 [(8) Adequate relocation, whether temporary or permanent: Provided,
18 however, That in cases of eviction and demolition pursuant to a court order
19 involving underprivileged and homeless citizens, relocation shall be
20 undertaken by the local government unit concerned and the National
21 Housing Authority with the assistance of other government agencies within
22 forty-five (45) days from service of notice of final judgment by the court,
23 after which period the said order shall be executed: Provided, further, That
24 should relocation not be possible within the said period, financial assistance
25 in the amount equivalent to the prevailing minimum daily wage multiplied by
26 sixty (60) days shall be extended to the affected families by the local
27 government unit concerned.]

28 **(8) THE AFFECTED COMMUNITIES SHALL HAVE ALREADY BEEN PROVIDED**
29 **WITH A RELOCATION OR RESETTLEMENT SITE WITH BASIC SERVICES AND**
30 **FACILITIES AND ACCESS TO EMPLOYMENT AND LIVELIHOOD**
31 **OPPORTUNITIES SUFFICIENT TO MEET THE BASIC NEEDS OF THE AFFECTED**
32 **FAMILIES. PROVIDED THAT, ANY FINANCIAL ASSISTANCE OFFERED AND/OR**
33 **RECEIVED BY THE RELOCATED FAMILIES SHALL NOT BE CONSIDERED A**
34 **WAIVER OF THE OBLIGATION OF THE IMPLEMENTING AGENCY AND/OR**
35 **LOCAL GOVERNMENT UNIT TO PROVIDE PROPER RELOCATION.**

36 The Department of the Interior and Local Government and the Housing and Urban
37 Development Coordinating Council shall jointly promulgate the necessary rules and
38 regulations to carry out the above provision."

1 **"Section 28-A. BURDEN OF PROOF. IN ANY EVICTION OR DEMOLITION INVOLVING**
2 **UNDERPRIVILEGED AND HOMELESS CITIZENS, THE AGENCY WHICH SEEKS TO**
3 **IMPLEMENT THE DEMOLITION MUST SUFFICIENTLY PROVE THE FOLLOWING:**

4 **(A) IN CASES OF EVICTIONS OR DEMOLITIONS INVOLVING DANGER AREAS,**
5 **THE DANGEROUS CIRCUMSTANCES AFFECTING THE RESIDENTS TO BE**
6 **EVICTED AND HOUSES TO BE DEMOLISHED; AND**

7 **(B) IN CASES OF EVICTIONS OR DEMOLITIONS INVOLVING GOVERNMENT**
8 **INFRASTRUCTURE PROJECTS, THE SUBSTANCE OF THE PROPOSED PROJECT**
9 **AND THE BUDGET PERTAINING TO IT."**

10 **SECTION 9.** Section 40 of Republic Act 7279 is hereby amended to read as follows:

11 **"Section 40. Role of Government Housing Agencies. – In addition to their respective**
12 **existing powers and functions, and those provided for in this Act, the hereunder**
13 **mentioned housing agencies shall perform the following:**

14 (a) The Housing and Urban Development Coordinating Council shall, through
15 the key housing agencies, provide local government units with necessary
16 support such as:

17
18 (1) Formulation of standards and guidelines as well as providing
19 technical support in the preparation of town and land use plans;

20
21 (2) In coordination with the National Economic and Development
22 Authority and the National Statistics Office, provide data and
23 information for forward-planning by the local government units in
24 their areas, particularly on projections as to the population and
25 development trends in their localities and the corresponding
26 investment programs needed to provide appropriate types and levels
27 of infrastructure, utilities, services and land use patterns; and

28
29 (3) Assistance in obtaining funds and other resources needed in the
30 urban development and housing programs in their areas or
31 responsibility.

32 (b) The National Housing Authority, upon request of local government units,
33 shall provide technical and other forms of assistance in the implementation
34 of their respective urban development and housing programs with the
35 objective of augmenting and enhancing local government capabilities in the
36 provision of housing benefits to their constituents;

37 (c) The National Home Mortgage Finance Corporation shall administer the
38 Community Mortgage Program under this Act and promulgate rules and
39 regulations necessary to carry out the provisions of this Act; and

(d) The Home Insurance Guaranty Corporation shall design an appropriate guarantee scheme to encourage financial institutions to go into direct lending for housing.

SEC. 40-A. CREATION OF SOCIALIZED HOUSING COMMISSION. A SOCIALIZED HOUSING COMMISSION SHALL BE ESTABLISHED WITH QUASI-JUDICIAL POWERS AND AUTHORITY WITH EXCLUSIVE JURISDICTION OVER ALL ISSUES ARISING FROM THE IMPLEMENTATION OF THIS ACT, ITS IMPLEMENTING RULES AND REGULATIONS, PARTICULARLY HOUSING RIGHTS OF THE HOMELESS AND UNDERPRIVILEGED, INCLUDING BUT NOT LIMITED TO ISSUES INVOLVING DEMOLITION, EVICTION, RESETTLEMENT, RELOCATION PARTICULARLY IN RELATION TO SECTION 28 AND IMPLEMENTATION OF BALANCED HOUSING DEVELOPMENT UNDER SECTION 18 HEREOF, COMMUNITY MORTGAGE PROGRAM, AND HOUSING RIGHTS PROVIDED IN THE CONSTITUTION, INTERNATIONAL COVENANTS OF WHICH THE PHILIPPINES IS A SIGNATORY."

SECTION 10. Section 45 of Republic Act 7279 is hereby amended to read as follows:

"Sec. 45. Penalty Clause. Any person who violates any provision of this Act shall be imposed the penalty of not more than six (6) years of imprisonment or a fine of not less than **TWENTY-FIVE** [Five] thousand pesos (**P25,000**) [(P5,000)] but not more than One hundred thousand pesos (P100,000), or both, at the discretion of the court: Provided, That, if the offender is a corporation, partnership, association, or other juridical entity, the penalty shall be imposed on the officer or officers of said corporation, partnership, association, or juridical entity who caused the violation."

SECTION 11. Separability Clause. – If any provision of this Act, or any part thereof, is declared unconstitutional, the same shall not affect the validity and effectivity of the other portions.

SECTION 12. Repealing Clause. – All laws, executive orders, presidential decrees, proclamations, rules, regulations, issuances, and enactments or parts thereof inconsistent with this Act are hereby repealed or modified accordingly.

SECTION 13. Effectivity. – This Act shall take effect after fifteen (15) days from its complete publication either in the Official Gazette or in a newspaper of general circulation in the Philippines.

Approved,