

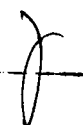
SEVENTEENTH CONGRESS OF THE )  
REPUBLIC OF THE PHILIPPINES )  
First Regular Session )

Office of the Secretary

'16 AUG -1 P1:48

SENATE

S.B. No. 952

BY: 

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Introduced by Senator **SONNY ANGARA**

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**AN ACT**  
**CREATING THE DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT (DHUD),**  
**DEFINING ITS MANDATES, POWERS, AND FUNCTIONS, PROVIDING FUNDS THEREFOR**  
**AND FOR OTHER PURPOSES**

**EXPLANATORY NOTE**

The National Economic and Development Authority (NEDA) reported that the Filipino aspires a "simple and comfortable lifestyle" based from its nationwide Ambisyon 2040 survey, where the results of the same are to be used as a guide for policy and development planning. This way of life is illustrated by having enough financial resources in times of need and for their children's future and, most importantly, a home where their families are able to live together.

However, this dream is far from turning into reality as the current housing backlog stands at 3.9 million. This alarming housing gap is projected to persist and to swell to approximately 6.5 million houses by 2030, even if an average of 200,000 housing units is produced annually from 2012 to 2030. Further, the issue is exacerbated by the rapid urbanization rate in the Philippines that strains resources and, in effect, drags the implementation of urban planning and development policies with almost half of all Filipinos living in urban areas as of 2010.

The main objective of this measure which seeks to establish a Department of Housing and Urban Planning that operationalizes the Constitutional mandate of creating a continuing urban land reform and housing program, in cooperation with the private sector, to deliver affordable, yet decent housing. It is proper that an integrated approach is executed by all Key Shelter Agencies of the government to effectively create and to seamlessly implement a national housing program, noting that the total need for new housing is set at 6.2 million units by 2030, with 345,941 housing units needed every year.

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



**SONNY ANGARA**

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CREATING THE DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT (DHUD),  
DEFINING ITS MANDATES, POWERS, AND FUNCTIONS, PROVIDING FUNDS THEREFOR  
AND FOR OTHER PURPOSES

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

CHAPTER I

GENERAL PROVISIONS

1  
2  
3  
4 **SECTION 1. Title.** This Act shall be known as the "***Department of Housing and Urban***  
5 ***Development Act.***"

6  
7 **SEC. 2. Declaration of Policies.** The State shall, by law and for the common good, undertake,  
8 in cooperation with the private sector, a continuing program of housing and urban development  
9 which will make available at affordable cost, decent housing and related basic services to  
10 underprivileged and homeless citizens in urban centers and resettlement areas. It shall also  
11 promote adequate employment opportunities to such citizens. In the implementation of such  
12 program, the State shall respect the rights of small property owners.

13  
14 The State shall pursue the realization of a modern, humane, economically viable and  
15 environmentally sustainable society where the urbanization process manifest in towns and cities  
16 being centers of productive economic activity and is led by market forces; where urban areas  
17 have affordable housing, sustainable physical and social infrastructure and services facilitated  
18 under a democratic and decentralized system of governance; and where urban areas provide  
19 the opportunities for an improved quality of life and the eradication of poverty.

20  
21 The State shall ensure that poor dwellers in urban or rural areas shall not be evicted nor  
22 their dwelling demolished, except in accordance with law.

23

1 In addition, the State shall encourage on-site development in the implementation of  
2 housing programs and shall promote the creation of new settlements and development of  
3 sustainable urban renewal programs.

4  
5  
6 **CHAPTER II**  
7 **DEFINITION OF TERMS**  
8

9 **SEC. 3. Definition of Terms.** As used in this Act, the following terms shall mean:  
10

- 11 a) *Attachment* refers to the lateral relationship between a department and the attached  
12 agency or corporation for purposes of policy and program coordination and as further  
13 defined under the Administrative Code of 1987;  
14
- 15 b) *Housing* refers to a multidimensional concept relating to the process of residing and the  
16 objects of dwelling whose main attributes are location relative to access to livelihood,  
17 tenure arrangements, cost and physical structure, as well as their environment. Housing  
18 is likewise a physical structure as well as a social structure, functioning at different  
19 spatial scales from homes, neighborhoods, communities, municipalities, cities,  
20 provinces, and regions. It is also a sector of the economy, an important category of land  
21 use in both urban and rural areas, especially in cities, and is an important factor in the  
22 overall dynamics of the urban system;  
23
- 24 c) *Informal Settler Families (ISFs)* refers to household/s living in:  
25 1. A lot or lots without the consent of the property owner;  
26 2. Danger areas such as esteros, railroad tracks, garbage dumps, riverbanks,  
27 shorelines, and waterways;  
28 3. Areas for government infrastructure projects;  
29 4. Protected/forest areas (except for indigenous people);  
30 5. Areas for Priority Development (APDs) as declared in Presidential Decree 1967,  
31 Series of 1980, if applicable; and  
32 6. Other government/public lands or facilities not intended for habitation.  
33
- 34 d) *Urban Development* refers to the process of occupation and use of land or space for  
35 such activities as residential, industrial, commercial and the like or their combinations,  
36 necessary to carry out the functions of urban living. It entails the building or rebuilding of  
37 more or less permanent structures over land that is often withdrawn or converted from its  
38 original use, resulting in the creation of a built environment.

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**CHAPTER III**

**DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT**

**SEC. 4. *Creation and Mandate of the Department of Housing and Urban Development.***

There is hereby created the Department of Housing and Urban Development (DHUD), hereinafter referred to as the Department, through the consolidation of the Housing and Urban Development Coordinating Council (HUDCC) and the Housing and Land Use Regulatory Board (HLURB). The Department shall act as the primary national government entity responsible for the management of housing and urban development. It shall be the sole and main planning and policy-making, regulatory, program coordination, and performance monitoring entity for all housing and urban development concerns, primarily focusing on the access to and the affordability of basic human needs.

**SEC. 5. *Powers and Functions.*** The planning and regulatory function of the Housing and Land Use Regulatory Board (HLURB) is hereby transferred to the Department.

In addition thereto, the Department shall perform the following:

- a) Formulate the national and urban development and housing policy and strategy that is consistent with the Philippine Development Plan to promote social and economic welfare, in coordination and consultation with the stakeholders, local government units (LGUs), and other government agencies;
- b) Exercise initiative and assume a lead role in coordinating, supervising, and integrating all government activities relative to housing and urban development;
- c) Formulate housing finance policies to promote the establishment of a self-sustaining housing finance system;
- d) Develop and maintain a housing database that shall include a shelter and urban development management information system;
- e) Develop mechanisms and programs that will initiate and promote the establishment of new settlements and urban renewal programs;
- f) Oversee the fast-tracked development and management of proclaimed housing sites, including the use of these land assets as resource mobilization strategy to raise alternative funds in developing new town housing projects which shall serve as central relocation sites for the affected informal settlers;
- g) Develop effective and efficient financing programs for housing beneficiaries and developers;

- 1 h) Ensure the Department's participation in sustainable development, climate change  
2 adaptation, and disaster risk reduction;  
3
- 4 i) Enter into contracts, joint venture agreements, public-private partnerships (PPPs),  
5 and memoranda of agreement or understanding, either domestic or foreign, under  
6 such terms and conditions as the Department may deem proper and reasonable and  
7 subject to existing laws;  
8
- 9 j) Discharge all responsibilities of the government that may arise from treaties,  
10 agreements and other commitments on housing and urban development to be  
11 sourced through bilateral or multilateral loans or assistance loans or assistance  
12 programs;  
13
- 14 k) Receive, take, and hold by bequest, device, gift, purchase or lease, either absolutely  
15 or in trust for any of its purposes, from foreign and domestic sources, any asset,  
16 grant, or property, real or personal, subject to such limitations provided under existing  
17 laws and regulations;  
18
- 19 l) Exercise oversight functions, coordinate, monitor and evaluate the policies and  
20 programs of all its attached agencies;  
21
- 22 m) Conduct continuing and comprehensive studies and research necessary for housing  
23 and urban development;  
24
- 25 n) Assist LGUs in strengthening the role and building the capability of provinces, cities,  
26 and municipalities as the primary entities for urban development and management;  
27
- 28 o) Monitor local government compliance with housing and urban development laws,  
29 standards and guidelines, as well as on their judicious and fair application of local  
30 housing and urban development ordinances;  
31
- 32 p) Support local government partnerships with communities, civil society organizations  
33 (CSOs), nongovernment organizations, and private groups in the implementation of  
34 urban development and management;  
35
- 36 q) Develop and establish a sector performance monitoring and assessment mechanism  
37 to monitor and independently report on the performance of national government  
38 agencies and LGUs involved in housing and urban development and ensure  
39 continuing improvements in sector policy and strategy formulation;  
40

- 1 r) Declare an identifies area as an Urban Development, New Settlement Site or  
2 Renewal Site, and jointly with the concerned LGU, develop and implement  
3 subprojects under a PPP arrangement;  
4
- 5 s) Advocate for and assist the LGUs in the establishment of a Special Housing Fund  
6 (SHF) to be sourced from the proceeds of Real Property Tax (RPT) pegged at one  
7 percent (1%) of the assessed value of real property which shall be exclusively used  
8 for the new settlement projects with housing and urban development new settlement  
9 projects and renewal projects of the LGUs;  
10
- 11 t) Conduct the pre- and post-proclamation activities as orchestrator and facilitator of the  
12 entire disposition process, including the stewardship of the Local Inter-Agency  
13 Committees (LIACs) which are primarily tasked to oversee the implementation of  
14 housing proclamation projects;  
15
- 16 u) Implement a single regulatory system that shall govern all activities relative to the  
17 planning, production, marketing, and management of housing and urban development  
18 projects;  
19
- 20 v) Declare, upon petition of the homeowners association and after due notice and  
21 hearing, a subdivision or condominium project as abandoned and grant the petitioner  
22 the authority to take over, cause, or initiate the development and completion of the  
23 project at the expense of the owner or developer, jointly and severally: *Provided*, That  
24 for purposes of this Act, and where the developer can no longer be located, the road  
25 in the abandoned subdivision project shall become public in character one (1) year  
26 after the declaration of abandonment of the project;  
27
- 28 w) Encourage private sector participation in the housing industry;  
29
- 30 x) Promote and accredit the use of indigenous materials and technologies in housing  
31 construction;  
32
- 33 y) Implement prototype projects in housing and urban development undertakings, with  
34 the right to exercise the power of eminent domain, when necessary;  
35
- 36 z) Determine, fix and collect reasonable fees and charges necessary for the effective  
37 implementation of all laws, rules and regulations enforced by the Department and  
38 impose reasonable fines and penalties for violation thereof;  
39
- 40 aa) Register, regulate and provide community development programs for Homeowners  
41 Associations (HOAs), Condominium Units Owners Association/Corporation (CUOA/C)  
42 and other housing development associations;

1 bb) Formulate and implement housing policies and programs for urban poor communities  
2 and ISFs that shall promote the social and economic welfare of homeless families,  
3 particularly the poor and underprivileged;

4  
5 cc) Encourage deeper and active participation of a broader spectrum of citizenry through  
6 housing cooperatives and CSOs as the avenue for the assessment and recognition of  
7 their housing needs and, together with the LGUs, serve as the implementing agencies  
8 of their housing and urban development programs; and

9  
10 dd) Perform other related functions as may be mandated by law.

11  
12 **SEC. 6. Composition.** The Department shall be composed of the Office of the Secretary, the  
13 offices directly supporting the Office of the Secretary, the offices of the undersecretaries and  
14 their immediate staff, and its various bureaus and regional offices.

15  
16 **SEC. 7. The Secretary.** The Secretary shall:

17  
18 a) Advise the President on matters under the jurisdiction of the Department;

19  
20 b) Establish policies and standards for the efficient and effective operations of the  
21 Department in accordance with the programs of the government;

22  
23 c) Promulgate rules, regulations and other issuances necessary in carrying out the  
24 Department's mandate, objectives, policies, plans, programs and projects;

25  
26 d) Exercise control and supervision over all functions and personnel of the Department;

27  
28 e) Delegate authority for the performance of any substantive or administrative function to  
29 subordinate officials of the Department;

30  
31 f) Call on other agencies and instrumentalities of the government and private entities for  
32 cooperation and assistance to the Department in the performance of its functions; and

33  
34 g) Perform such other functions as may be provided by law or assigned by the President.

35  
36 The Secretary shall also serve as a voting member of the National Economic and  
37 Development Authority (NEDA) Board, the governing Board of the Social Security System  
38 (SSS), the Government Service Insurance System (GSIS), the Climate Change Commission  
39 (CCC), the National Disaster Risk Reduction Management Council (NDRRMC), and the  
40 Philippine Reclamation Authority (PRA). The Secretary shall be a member of NEDA's  
41 Committee on Infrastructure (INFRACOM), Investment Coordinating Committee (ICC) and  
42 Social Development Committee (SDC). The Secretary shall also be a member of the body

1 authorized to formulate, prescribe, or amend guidelines under Republic Act No. 6957 as  
2 amended, otherwise known as the "Build-Operate-Transfer (BOT) Law".

3  
4 **SEC. 8. *The Undersecretaries.*** Taking into account the requirements of the Department and  
5 subject to the approval of the President, the Secretary shall be assisted by:

- 6  
7 a) One (1) Undersecretary for Bureau of Policy Development and Program Coordination,  
8 Monitoring, and Evaluation;  
9  
10 b) One (1) Undersecretary for Bureau of Environmental, Land Use and Urban Planning and  
11 Development;  
12  
13 c) One (1) Undersecretary for Bureau of Regulation of Housing and Real Estate  
14 Development; and  
15  
16 d) One (1) Undersecretary for Bureau of Homeowners, Homeowners' Associations, and  
17 Community Development.  
18

19 They shall have the powers and functions as provided for in Section 10, Chapter 2, Book IV  
20 of the Administrative Code of 1987. The Secretary is further authorized to delineate and assign  
21 the other functional areas of responsibility of the Undersecretaries.  
22

23 **SEC. 9. *Qualifications and Appointment.*** The Secretary and Undersecretaries shall be  
24 citizens and residents of the Philippines, of good moral character, and of proven competence  
25 and integrity. They shall all be appointed by the President. The Undersecretaries shall be career  
26 officers.  
27

28 **SEC. 10. *Departmental Bureaus and Regional Offices.*** The Department shall establish,  
29 operate, and maintain the following bureaus and other support offices:  
30

- 31 a) Policy Development and Program Coordination, Monitoring, and Evaluation Bureau;  
32 b) Environmental, Land Use and Urban Planning and Development Bureau;  
33 c) Housing and Real Estate Development Bureau;  
34 d) Homeowners, Homeowners' Associations, and Community Development Bureau; and  
35 e) Legal and Support Services.  
36

37 There shall be Regional Offices in all administrative regions, headed by a Regional Director.  
38

39 **SEC. 11. *Staffing Pattern.*** The development of the Department's staffing pattern shall be  
40 based on an assessment of the personnel requirements of the entire Department by the  
41 Secretary and as approved by the Department of Budget and Management (DBM). The



1 remuneration structure of the positions and the staffing pattern shall strictly conform to the  
2 Salary Standardization Law, as amended.

## 3 4 5 CHAPTER IV

### 6 HUMAN SETTLEMENTS ADJUDICATORY COMMISSION

7  
8 **SEC. 12. *Reconstitution of the HLURB as the Human Settlements Adjudicatory***  
9 ***Commission (HSAC).*** The HLURB is hereby reconstituted and shall henceforth be known as  
10 the Human Settlements Adjudicatory Commission (HSAC), hereinafter referred to the HSAC,  
11 which shall operate as an Independent Commission within the Department.

12  
13 The HSAC is a quasi-judicial body with original and exclusive jurisdiction over all issues  
14 and controversies arising from interpretation and implementation of Republic Act No. 7279,  
15 otherwise known as the "Urban Development and Housing Act of 1992", all amendments  
16 thereto, and its implementing rules and regulations (IRR).

17  
18 **SEC. 13. *Transfer of Adjudicatory Function of the HLURB to the HSAC.*** The adjudicatory  
19 function of the HLURB is hereby transferred to the HSAC.

20  
21 **SEC. 14. *Composition and Qualification of Members.*** The HSAC shall be composed of the  
22 Secretary and nine (9) full-time Commissioners: *Provided*, That the term of incumbent  
23 Commissioners shall be respected: *Provided further*, That the subsequent appointees of the  
24 President shall be members of the Philippine Bar, of which three (3) Commissioners shall have  
25 experience in urban development planning, sustainable development, climate change  
26 adaptation, and disaster risk reduction; three (3) shall be nominees of the urban poor and  
27 homeowners' associations; and three (3) shall come from the private sector.

28  
29 The Commissioners must have been engaged in the practice of law for a period of at  
30 least five (5) years prior to their appointment.

31  
32 The Commissioners shall hold office for a period of six (6) years or until they become  
33 incapacitated to discharge the duties of their office, whichever comes earlier.

34  
35 No person who has been convicted of a crime involving moral turpitude shall be  
36 appointed at any time as a Member of the HSAC.

37  
38 The most senior Commissioner shall be the Presiding Commissioner of the First Division  
39 and the two (2) next senior Members shall be the Presiding Commissioners of the Second and  
40 Third Divisions, respectively: *Provided*, That each Division that shall be composed of three (3)  
41 members shall have one (1) member representing the urban poor communities or the  
42 homeowners and homeowners' associations.

1 For purposes of this Act, precedence in seniority shall be determined in the order in  
2 which the appointments were issued by the President.

3  
4 **SEC. 15. Exercise of Adjudicatory Function and Other Powers.** The HSAC, sitting *en banc*  
5 and presided over by the Secretary, shall promulgate the rules and regulations governing the  
6 hearing and disposition of cases before any of its Divisions and its arbiters in its Regional  
7 Officers, and shall formulate policies effecting its administration and operations.

8  
9 The HSAC shall exercise its adjudicatory and all other powers, functions, and duties  
10 through its Divisions. The Divisions of the HSAC shall have exclusive appellate jurisdiction over  
11 cases decided by its Arbiters.

12  
13 The HSAC sitting *en banc* may, on temporary or emergency basis, allow cases within  
14 the jurisdiction of any Division to be heard and decided by any other Division whose docket  
15 allows the additional workload: *Provided*, That the transfer shall not expose litigants to  
16 unnecessary additional expense.

17  
18 The HSAC sitting *en banc* may designate any Commissioner who shall exercise  
19 administrative supervision over the HSAC and its Regional branches and all their personnel,  
20 including the Arbiters.

21  
22 The HSAC shall be assisted by the Board Secretariat which shall perform such similar or  
23 equivalent functions of the Board Secretary of the HLURB.

24  
25 **SEC. 16. Decisions and Resolutions.** The concurrence of two (2) Commissioners of a Division  
26 shall be necessary for the pronouncement of a judgment or resolution. Whenever the  
27 required membership in a Division is not complete and the concurrence of two (2)  
28 Commissioners to arrive at a judgment or resolution cannot be obtained, the most senior  
29 Commissioner shall designate into the Division such number of additional Commissioners  
30 from the other Divisions as may be necessary.

31  
32 The conclusions of a Division on any case submitted to it for decision shall be reached in  
33 consultation before the case is assigned to a Commissioner for the writing of the decision. It  
34 shall be mandatory for the Division to meet for purposes of the consultation ordained  
35 herein. A certification to this effect signed by the Presiding Commissioner of the Division,  
36 shall be issued and a copy shall be attached to the record of the case and served upon the  
37 parties.

38  
39 **SEC. 17. Compensation.** A Commissioner shall receive an annual salary of at least equivalent  
40 to an Undersecretary.

1 The incumbent full time Commissioners of the present HLURB pursuant to Executive  
2 Order No. 648, Series of 1981 "Reorganizing the Human Settlements Regulatory Commission"  
3 shall remain in office unless they opt to avail of the retirement and separation benefits as  
4 provided for in Section 33 of this Act, or are sooner removed for cause.

5  
6 **SEC. 18. Jurisdiction.** In addition to the existing jurisdiction of the HLURB, the Arbiters shall  
7 exercise original and exclusive jurisdiction over cases involving the following matters:  
8

9 a) Cases involving real estate properties, subdivisions, and condominiums:

- 10 1) Squatting on subdivision lots and condominium units;
- 11 2) Cases arising from any violation of the mandatory requirements in the execution of  
12 eviction or demolition involving underprivileged and homeless citizens under Section 28  
13 on Eviction and Demolition of Republic Act No. 7279, otherwise known as the "Urban  
14 Development and Housing Act of 1992";
- 15 3) Disputes involving buyer financing agreements with any financing institution for  
16 condominium or subdivision projects;
- 17 4) Easements of right of way in subdivisions;
- 18 5) Intra-corporate disputes involving condominium corporations;
- 19 6) Disputes between landowners and developers, and between banks/financing institutions  
20 and developers whenever the interest of buyers is involved; and
- 21 7) Disputes involving the enforcement of Comprehensive Land Use Plans (CLUPs).

22  
23 b) Violations of administrative rules and regulations implementing Section 7 on Inventory of  
24 Lands, Section 8 on Identification of Sites for Socialized Housing, Section 18 on Balanced  
25 Housing Development, and Section 28 on Eviction and Demolition of Republic Act No. 7279.

26  
27 c) Cases submitted by parties which shall be heard and decided within ninety (90) days:

- 28  
29 1) Unsound and fraudulent real estate business practices;
  - 30 2) Claims for refund against project owners, developers, dealers, brokers, or salespersons;
  - 31 3) Specific performance of contractual and statutory obligations filed by buyers of  
32 subdivision lots, or house and lots, or of condominium units against the project owner,  
33 developer, dealer, broker or salesperson;
  - 34 4) Cases for nullity of mortgage filed by the unit buyer against the developer as mortgagor  
35 and the financial institution as mortgagee;
  - 36 5) Cases filed by subdivision or condominium owners or developers against lot or unit  
37 buyers relating to subdivision and condominium contracts, but not limited to, the  
38 collection of unpaid amortizations;
  - 39 6) Other related cases arising from contractual or statutory obligations of owners, dealers,  
40 brokers, or salespersons toward a lot or house and lot or unit buyers; and
  - 41 7) Intra and intercorporate disputes between and among homeowners' associations.
- 42

1 The Secretary may assume jurisdiction over any compliant or case and decide the same or  
2 certify such case for decision to the HSAC, when authorized by both Houses of Congress  
3 through a resolution, if the controversy involves massive fraud or unsound business practices of  
4 critical socioeconomic or environmental considerations that may have serious potential impact  
5 on the interests of the sector or the general welfare.

6  
7 **SEC. 19. Powers and Authorities of the HSAC.** In addition to the adjudicatory powers given to  
8 the HLURB, the HSAC shall:

- 9  
10 a) Issue writs and orders prohibiting demolitions, seizures, or closures of property including  
11 temporary writs or orders restraining demolitions, seizures, and closures of property;  
12 b) Issue writs and orders to execute demolitions, seizures, or closures of property in  
13 accordance with its decision or judgment;  
14 c) Impose administrative fines or penalties, or both, for violation of Republic Act No. 7279,  
15 as amended, and other laws implemented by the HSAC, including pertinent rules and  
16 regulations, orders, decisions, or rulings: *Provided*, That the HSAC may adjust such  
17 fines not more than once every three (3) years; and  
18 d) Exercise such other powers as are implied, necessary, or incidental to carry out the  
19 express powers granted to the HSAC or to achieve the objectives and purposes of this  
20 Act, and other laws implemented by the HSAC.

21  
22 The decision of the Commission shall be final and executory after fifteen (15) calendar days  
23 from receipt thereof by the parties.

24  
25 The Secretary may assume jurisdiction over any complaint or case and decide the same or  
26 certify such case for decision to the Commission if the controversy involves massive real estate  
27 fraud or unsound business practices of critical socio-economic or environmental considerations  
28 that may have serious potential impact on the interests of the sector or the general welfare.

29  
30 **SEC. 20. Institution of Criminal Prosecution.** The criminal prosecution of violations of  
31 housing laws and regulations shall be instituted before the appropriate criminal courts.

32  
33 **SEC. 21. The Arbiters: Qualifications and Appointment.** The existing HLURB Arbiters shall  
34 be deemed qualified. Henceforth, additional Arbiters that shall be appointed must have been a  
35 member of the Philippine Bar for at least three (3) years, with at least two (2) years of  
36 experience or exposure in the field of real estate and land use development cases.

37  
38 The President, upon the recommendation of the Secretary, shall appoint Arbiters, as  
39 may be necessary, for each administrative region, upon recommendation of the HSAC *en banc*.

40  
41 The HSAC *en banc* shall have the power to assign the Arbiters to the Regional Offices.

1 **SEC. 22. *The Sheriff.*** The HSAC shall appoint a Sheriff or such number of Sheriffs in its  
2 Central and Regional branches. To be appointed as Sheriff, one must be a second grade Civil  
3 Service eligible and must have completed at least two (2) years of college. The Sheriff shall be  
4 responsible for the service and execution of all writs, summons, orders, and other processes of  
5 the HSAC.

6  
7 **SEC. 23. *Appeals.*** Decisions, awards, or orders of the Arbiters shall be final and executory  
8 unless appealed to the HSAC within fifteen (15) calendar days from receipt of the decisions,  
9 awards, or orders. The appeal may be entertained only on any of the following grounds:

- 10  
11 a) If there is prima facie evidence of abuse of discretion on the part of the Arbiters in  
12 rendering the questioned decision, award, or order;
- 13 b) If the decision, order, or award was secured through fraud or coercion, including graft  
14 and corruption;
- 15 c) If the appeal is made purely on questions of law; and,
- 16 d) If serious errors in the findings of facts are raised, which errors would cause grave or  
17 irreparable damage or injury to the appellant.

18  
19 The decision of the HSAC upon any disputed matter may be brought upon to the Court of  
20 Appeals on a question of law and facts by way of a petition for review. For this purpose, the  
21 procedure on appeals from the regional trial court shall be followed as far as practicable and  
22 consistent with the purpose of this Act. An appeal from a decision of the HSAC must be filed  
23 within fifteen (15) calendar days from notice of judgment, award, or order sought to be  
24 appealed, pursuant to Rule 43 of the Rules of Court. If the decision of the HSAC involves only  
25 questions of law, the same shall be reviewed by the Supreme Court. No appeal bond shall be  
26 required. No appeal shall act as a *supersedeas* or a stay of the order of the HSAC, unless the  
27 HSAC itself, or the Court of Appeals or the Supreme Court, shall so order.

28  
29 **SEC. 24. *Prohibition Against Restraining Order or Injunction.*** No lower court of the  
30 Philippines shall have jurisdiction to issue any restraining order, or writ of preliminary injunction,  
31 or permanent injunction against the HSAC or its Arbiters in any case, dispute, or controversy  
32 arising from, necessary to, or in connection with the application, implementation, enforcement,  
33 or interpretation of this Act and other pertinent laws on housing and on just and humane eviction  
34 or demolition procedures.

35  
36 **SEC. 25. *Pending Cases.*** All cases pending in regular Courts arising from or in  
37 connection with the implementation of pertinent laws on housing and on just and humane  
38 eviction and demolition procedures shall continue to be heard, tried, and decided to their finality  
39 by such Courts.

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**CHAPTER V**  
**ATTACHED AGENCIES**

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**SEC. 26. Attached Agencies and Corporations.** The following agencies and corporations are hereby attached to the Department for policy and program coordination, monitoring and evaluation:

- a) National Housing Authority (NHA);
- b) Home Guaranty Corporation (HGC);
- c) National Home Mortgage Finance Corporation (NHMFC);
- d) Home Development Mutual Fund (HDMF); and
- e) Social Housing Finance Corporation (SHFC);

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**SEC. 27. Nature of Attachment.** Any provision of law, or the respective chapters of the abovementioned corporations and agencies to the contrary notwithstanding, the Secretary shall, in a concurrent capacity, be the ex officio Chairperson of the respective board of the NHA, HGC, NHMFC, HDMF, and SHFC.

The agencies shall continue to function according to existing laws and their respective charters. However, each of the heads of the attached agencies shall enter into a performance contract annually with the Secretary. Such contracts shall embody the national targets on housing and urban development and shall include the overall administration of the agency.

The reorganization, merger, streamlining of functions, abolition, or privatization of any attached government-owned and/or –controlled corporation (GOCC) shall be implemented with the concurrence of the Secretary pursuant to Republic Act No. 6656, entitled “An Act to Protect the Security of Tenure of Civil Service Officers and Employees in the Implementation of Government Reorganization”.

The appointment of the Board of Directors or Trustees of the attached GOCCs shall be in accordance with Republic Act No. 10149, otherwise known as the “GOCC Governance Act of 2011”.

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**CHAPTER VI**  
**TRANSITORY PROVISIONS**

**SEC. 28. Transition Period.** All transfer of functions, asset, funds, personnel, equipment, properties, and transactions in the affected national government agencies, and the formulation and implementation of the internal organic structures, staffing patterns, operating systems, and revised budgets of the Department and the HSAC, shall be completed within six (6) months

1 from the effectivity of this Act, during which existing personnel shall continue to assume their  
2 posts in holdover capacities until new appointments are issued.

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4 **SEC. 29. *Implementing Authority.*** The Secretary is hereby authorized to undertake the  
5 implementation of the provisions of this Act and implement the necessary organizational  
6 changes within the specific six (6) month transition period.

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8 **SEC. 30. *Transfer of Functions.*** The following functions are hereby transferred to the  
9 Department as stipulated hereunder:

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11 a) Regulatory function of the HLURB, including the formulation, promulgation, and  
12 enforcement of rules, standards, and guidelines;  
13 b) HLURB's monitoring function, including the imposition of penalties for non-compliance to  
14 ensure that LGUs will follow the planning guidelines and implement their Comprehensive  
15 Land Use Plans/Zoning Ordinances; and  
16 c) Registration of incorporation of homeowners' associations and condominium  
17 corporations of the HLURB.

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19 **SEC. 31. *Transfer of Assets.*** The following dispositive actions shall be implemented within six  
20 (6) months from the effectivity of this Act:

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22 a) The transfer to the Department of the assets, equipment, funds, records, and pertinent  
23 transactions of the HUDCC and the HLURB; and  
24 b) The submission of the Department and the HSAC of a request to the DBM for the  
25 creation of additional positions and the augmentation of their budget appropriations as  
26 may be needed.

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28 **SEC. 32. *Absorption of Employees of the Consolidated Agencies.*** The present career  
29 employees of the HUDCC and the HLURB shall enjoy security of tenure and shall be absorbed  
30 by the Department, in accordance with its staffing pattern and selection process as prescribed  
31 under Republic Act No. 6656, unless they are separated from the service by virtue of the  
32 reorganization resulting from this Act, or opt and are qualified to retire from service.

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34 **SEC. 33. *Separation from the Service.*** Unless absolutely required, no employee shall be  
35 separated from the service as a result of any reorganization or consolidation under the  
36 provisions of this Act. Nonetheless, employees so separated or phased out from the service  
37 shall, within one (1) month from their separation or phase out from service, receive separation  
38 benefits in accordance with existing laws.

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40 In addition, those who desire and are qualified to retire shall be entitled to all benefits in  
41 accordance with existing laws.

1 **SEC. 34. *Transfer of Rights and Obligations.*** The Department shall, by virtue of this Act, be  
2 subrogated to all rights and assume all the liabilities of the HUDCC and all other agencies of the  
3 government whose functions and powers have been transferred to it, and all their pertinent  
4 funds, records, property, assets, equipment and such personnel, including unexpended portions  
5 of their appropriations.

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7 **SEC. 35. *Implementing Rules and Regulations.*** The Secretary shall prepare and issue the  
8 implementing rules and regulations (IRR) of the Department within ninety (90) days upon the  
9 effectivity of this Act.

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12 **CHAPTER VII**  
13 **FUNDING**  
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15 **SEC. 36. *Funding.*** The amount necessary for the initial implementation of this Act shall be  
16 charged against the current year's appropriations of HUDCC and HLURB. Thereafter, such  
17 sums as may be necessary for the continued implementation of this Act, shall be included in the  
18 General Appropriations Act (GAA).

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21 **CHAPTER VIII**  
22 **FINAL PROVISIONS**  
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24 **SEC. 37. *Identification and Designation of Lands for Housing and Urban and Rural***  
25 ***Development.*** For the purpose of designating lands for housing and urban and rural  
26 development, the Department of Environment and Natural Resources (DENR), the Department  
27 of Agrarian Reform (DAR) and the Department of Agriculture (DA) shall, within one hundred  
28 eighty (180) days from the effectivity of this Act, jointly identify agricultural lands which, under  
29 Republic Act No. 6657, otherwise known as the Comprehensive Agrarian Reform Law of 1988,  
30 and other existing laws, rules and regulations are already exempted from conversion  
31 requirements: *Provided*, That the list shall exclude lands that are declared as nonnegotiable or  
32 protected from conversion under existing laws and issuances and those lands covered under  
33 Republic Act No. 6657: *Provided, further*, That the designation of lands for housing and urban  
34 and rural development purposes shall neither prejudice the rights of qualified beneficiaries  
35 under Republic Act No. 6657, nor undermine the protected agricultural areas intended to ensure  
36 the attainment of food security under Republic Act No. 8435, otherwise known as the  
37 "Agriculture and Fisheries Modernization Act of 1997" (AFMA) and other existing laws:  
38 *Provided, furthermore*, That in the case of lands exempted from conversion duly approved by  
39 the DAR and contested by an affected individual or community beneficiaries, no horizontal or  
40 vertical development by the individual or community beneficiary shall be allowed without prior  
41 clearance or approval from the DAR or the DA, consistent with the terms of the approved order



1 or conversion: *Provided, finally*, That all idle government lands in highly urbanized cities are  
2 hereby prioritized for housing and urban development purposes.

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4 **SEC. 38. *Creation of Social Housing One-Stop Processing Centers (SHOPCs).*** The  
5 Department shall establish SHOPCs in all administrative regions of the country. The SHOPCs  
6 shall be responsible for the centralized processing and issuance of all required housing-related  
7 permits, clearances, and licenses in accordance with Executive Order No. 45, Series of 2001,  
8 entitled "Prescribing Time Periods for Issuance of Housing Related Certifications, Clearances  
9 and Permits, and Imposing Sanctions for Failure to Observe the Same": *Provided*, That for the  
10 foregoing purpose, the respective ceilings for socialized, low cost/economic and middle-income  
11 housing shall be jointly determined by the Department and the NEDA: *Provided, further*, That at  
12 any time, but not more than once every two (2) years, such ceilings may be reviewed or revised  
13 to conform to prevailing economic conditions. All agencies involved in the issuance of said  
14 permits, clearances, and licenses shall be represented in the SHOPC and shall assign SHOPC  
15 personnel from regional centers who shall be sufficiently authorized to process and issue the  
16 same.

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18 **SEC. 39. *Mandatory Review of the Implementation of this Act.*** The Department shall  
19 conduct a review on the implementation of this Act and shall submit to Congress a report on its  
20 findings at the end of the second year from the date of the effectivity of this Act.

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22 **SEC. 40. *Separability Clause.*** If, for any reason or reasons, any portion or provision of this Act  
23 shall be held unconstitutional or invalid, the remaining provisions not affected thereby shall  
24 continue to be in full force and effect.

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26 **SEC. 41. *Repealing Clause.*** All laws, executive orders, proclamations, rules, regulations and  
27 other issuances or parts thereof which are inconsistent with the provisions of this act are hereby  
28 repealed, amended or modified accordingly.

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30 **SEC. 42. *Effectivity.*** This Act shall take effect fifteen (15) days after its complete publication in  
31 at least two (2) national newspapers of general circulation.

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33 Approved,