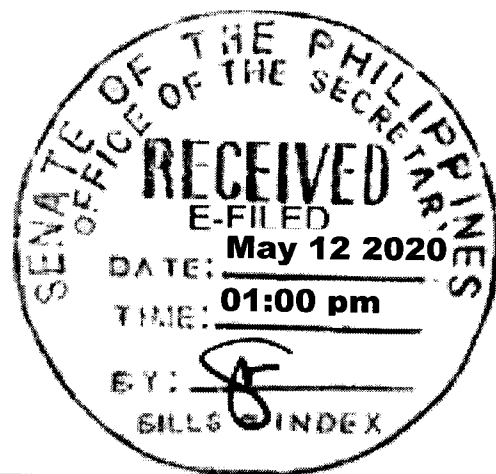


EIGHTEENTH CONGRESS OF THE)
REPUBLIC OF THE PHILIPPINES)
First Regular Session)

SENATE

S. No. 1525



Introduced by Senator Manuel "Lito" M. Lapid

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

EXPLANATORY NOTE

Disasters and calamities usually cause disruptions to the economic life of our people—temporary closure of businesses, suspension of work, interruption of banking transactions and financial services, among others. These disruptions may cause temporary cash-flow difficulties, especially for minimum wage earners, small business owners, and blue-collar workers, which in turn may lead to delays or temporary inability to meet daily and monthly expenses. During the existence of a disaster or emergency, some may have no capacity to timely meet their obligations on utilities, medical expenses, rental payments, etc. For these times of hardship and difficulty, the government must ensure that adequate protection and assistance are afforded to the poor, vulnerable and disadvantaged sectors of our society. This bill seeks to institutionalize one such form of assistance.

This proposed measure will provide for a moratorium on the enforcement of payment of all fees, charges, and costs relating to rental of residential units, whether covered by a lease or sublease contract, for the entire duration of a national or local state of calamity or emergency and for thirty (30) days from the termination of said State of Calamity of Emergency. There shall also be a moratorium on evictions for the same period regardless of cause, except when a lessee/sublessee perpetrates a criminal act that threatens the life, limb and property of the lessor, sublessor or owner, or his/her immediate family, other tenants or staff

of the property in which the residential unit is located. At the discretion of the Secretary of the Department of Trade and Industry (DTI), taking into consideration the fact of closure/shutting down of businesses, community quarantine orders, or any other circumstance that may hamper their operations during calamities or emergencies, the benefit of the moratorium on rental payment and eviction may also be applied to commercial or office space rental of Micro, Small and Medium Enterprises (MSMEs).

In view of this, early passage of this bill is sought.

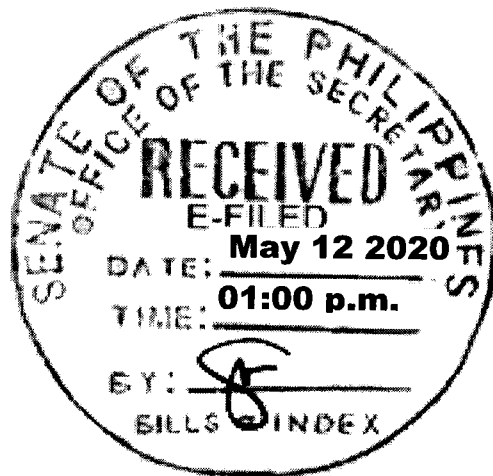


MANUEL "LITO" M. LAPID

EIGHTEENTH CONGRESS OF THE)
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Be it enacted by the Senate and the House of Representatives of the Philippines in Congress assembled:

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

3
4 Section 2. *Declaration of Policy.* – In the interest of promoting the common
5 good and the general welfare, it is hereby declared the policy of the State to provide
6 adequate relief and protection to those suffering from the ravages of calamities and
7 other emergency situations

8
9 Section 3. *Definition of Terms.* – For purposes of this Act, these terms are
10 defined as follows:

- 11
12 a. *"Disaster"* - a serious disruption of the functioning of a community or a
13 society involving widespread human, material, economic or environmental
14 losses and impacts, which exceeds the ability of the affected community or
15 society to cope using its own resources. Disasters are often described as a

1 result of the combination of: the exposure to a hazard; the conditions of
2 vulnerability that are present; and insufficient capacity or measures to reduce
3 or cope with the potential negative consequences, Disaster impacts may
4 include loss of life, injury, disease and other negative effects on human,
5 physical, mental and social well-being, together with damage to property,
6 destruction of assets, loss of services, Social and economic disruption and
7 environmental degradation;

- 8 b. *"Emergency"* - unforeseen or sudden occurrence, especially danger,
9 demanding immediate action;
- 10 c. *"State of Calamity"* - a condition involving mass casualty and/or major
11 damages to property, disruption of means of livelihoods, roads and normal
12 way of life of people in the affected areas as a result of the occurrence of
13 natural or human-induced hazard.
- 14 d. *"Rent"* shall mean the amount paid for the use or occupancy of a residential
15 unit whether payment is made on a monthly or other basis.
- 16 e. *"Residential unit"* shall refer to an apartment, house and/or land on which
17 another's dwelling is located and used for residential purposes and shall
18 include not only building houses, dormitories, rooms and bedspaces offered
19 for rent by their owners, except motels, motel rooms, hotels, hotel rooms, but
20 also those used for home industries, retail stores or other business purposes
21 if the owner thereof and his or her family actually live therein and use it
22 principally for dwelling purposes.
- 23 f. *"Lessee"* shall mean the person renting a residential unit.
- 24 g. *"Owner/Lessor"* shall include the owner or administrator or agent of the
25 owner of the residential unit.
- 26 h. *"Sublessor"* shall mean the person who leases or rents out a residential unit
27 leased to him by an owner.
- 28 i. *"Sublessee"* is the person who holds a lease which was given to another
29 person for all or part of a property.
- 30

31 Section 4. *Scope of Application.* – This Act shall cover disasters and other
32 kinds of emergencies which are (1) national in scope, as declared through a State of

1 Calamity or State of National Emergency by the President of the Philippines, and (2)
2 provincial, city or municipal in scope, as declared through a State of Calamity or
3 Emergency by the appropriate local government unit.

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

14 The benefit of this moratorium on rental payment may be applied to
15 commercial or office space rental of Micro, Small and Medium Enterprises (MSMEs),
16 at the discretion of the Secretary of the Department of Trade and Industry (DTI),
17 taking into consideration the fact of closure/shutting down of businesses, community
18 quarantine orders, or any other circumstance that may hamper their operations.

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

22
23 Section 6. *Moratorium on Eviction.* – During the same period stated in Section
24 5 of this Act, the lessor, sublessor or owner of a residential unit may not make, or
25 cause to be made, any eviction or similar legal proceeding to recover possession of
26 the residential unit from the lessee/sublessee regardless of cause, except when a
27 lessee/sublessee perpetrates a criminal act that threatens the life, limb and property
28 of the lessor, sublessor or owner, or his/her immediate family, other tenants or staff
29 of the property in which the residential unit is located.

30 The benefit of this moratorium on eviction may be applied to commercial or
31 office space rental of Micro, Small and Medium Enterprises (MSMEs), at the
32 discretion of the Secretary of the Department of Trade and Industry (DTI), taking

1 into consideration the fact of closure/shutting down of businesses, community
2 quarantine orders, or any other circumstance that may hamper their operations.

3
4 Section 7. *Implementing Rules and Regulations.* – Within sixty (60) days from
5 the effectivity of this Act, the Department of Trade and Industry (DTI) and the
6 Department of Human Settlements and Urban Development, in consultation with
7 other relevant government agencies and stakeholders, shall issue the necessary
8 rules and regulations to implement the provisions of this Act.

9
10 Section 8. *Repealing Clause.* —All laws, presidential decrees, executive orders,
11 proclamations, rules and regulations, or any part thereof, which are inconsistent with
12 the provisions of this Act are hereby repealed or modified accordingly.

13
14 Section 9. *Separability Clause.* – If any provision or part of this Act, or the
15 application thereof to any person or circumstance, is held unconstitutional or invalid,
16 the remainder of this Act shall not be affected thereby.

17
18 Section 10. *Effectivity Clause.* — This Act shall take effect fifteen (15) days
19 from its publication in the Official Gazette or in at least two (2) newspapers of
20 general circulation.

21
22 *Approved,*