

S E N A T E

S. NO. 1664



Introduced by Senator Lina, Jr., Pimentel, Jr., Romulo

EXPLANATORY NOTE

Housing is one of the basic needs of our people. Moreover, construction of housing is one of the economic multipliers and stimulates the economy by generating economic activity and employment. Adequate shelter also contributes to peace and order, inasmuch as families tend to be satisfied and peaceful when they are able to earn enough to have their own homes.

To achieve a workable housing program for the nation, there is a need to match housing with affordability levels. Despite the upsurge of housing activities in the last two decades, such that building has risen from less than 3 per cent in 1941 to 38.80 per cent of total housing in 1976 to 1980, it is a reality that construction has not caught up with needs. Many of our families, particularly those in the urban areas rent their apartments or rooms. While there are some who own many apartments for rent, particularly in the higher income levels, the greater number of lower-priced apartments are owned by retirees, government employees with relatively low incomes, and middle-income families who built apartments to help them pay the amortization for the units, one of which the owners occupy and use as their family home.

The government policy is to increase accessibility of home ownership to the lower middle and low income families. Moreover, the national development plan for 1987-1992 seeks to provide affordable long or medium term financing for housing; encourage the participation of the private sector for economic housing for the middle income families; and provide incentives for the building of apartments and of homes for the thousands of families without their own homes. As of 1987, the housing needs for the entire country is at least 531,000 dwelling units and for the period 1987 to 1992, the estimated need is 3,376,000 dwelling units.

Until there has been evolved a realistic, workable policy which provides housing for the greater number, particularly workers in high-employment and high economic activity areas, rental of homes at affordable levels of about 23 to 25 per cent of the income for lower income groups is a stark necessity. Rental control, therefore, although not ideal has become a necessity on the basis of parens patriae and social justice. This bill seeks to extend rental control at present levels provided by B.P. 877 - a law which is due to expire December 31, 1987- for another two years. Approval of this bill is, therefore, urgent.

Aquilino Pimentel
Jose D. Lina, Jr.
Alberto G. Romulo

S E N A T E

S. NO. 164



Introduced by Senator *Lina, Jr.,*
Pimentel, Jr., and Romulo

AN ACT
EXTENDING THE EFFECTIVITY OF BATAS PAMBANSA BLG. 877, ENTITLED:
"AN ACT PROVIDING FOR THE STABILIZATION AND REGULATION OF RENTALS
OF CERTAIN RESIDENTIAL UNITS AND FOR OTHER PURPOSES," FOR
ANOTHER TWO YEARS

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

1 SECTION 1. The effectivity of Batas Pambansa Blg. 877,
2 entitled: "An Act Providing for the Stabilization and Regulation
3 of Rentals of Certain Residential Units and for Other Purposes,"
4 is hereby extended for another two years for the period January 1,
5 1988 to December 31, 1989; provided, that, the allowable maximum
6 increase for the two year period shall not be more than twenty
7 per cent (20%), which increase shall be cumulative and com-
8 pounded.

9 SEC. 2. This Act shall take effect on January 1, 1988.

Approved,



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Congress of the Philippines)
First Regular Session)

S E N A T E

S. NO. 164

Introduced by Senators Lina, Jr., Pimentel, Jr., and
Romulo

AN ACT

EXTENDING THE EFFECTIVITY OF BATAS PAMBANSA BLG. 877,
ENTITLED "AN ACT PROVIDING FOR THE STABILIZATION AND
REGULATION OF RENTALS OF CERTAIN RESIDENTIAL UNITS AND
FOR OTHER PURPOSES," FOR ANOTHER TWO YEARS

Be it enacted by the Senate and House of Representa-
tives of the Philippines in Congress assembled:

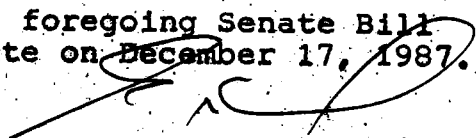
1 SECTION 1. The effectivity of Batas Pambansa Blg.
2 877, entitled "An Act Providing for the Stabilization
3 and Regulation of Rentals of Certain Residential Units
4 and for Other Purposes," is hereby extended for another
5 two years for the period January 1, 1988 to December
6 31, 1989: Provided, That the allowable maximum increase
7 for the two-year period shall not be more than fifteen
8 percent (15%) for the first year and not more than
9 fifteen percent (15%) for the second year; which
10 increases shall be cumulative and compounded.

11 SEC. 2. The residential units covered by this Act
12 shall be exempt from any increase in real property
13 taxation for the duration of this Act.

14 SEC. 3. This Act shall take effect on January 1,
15 1988, following its publication in at least one
16 newspaper of general circulation.

Approved,

I hereby certify that the foregoing Senate Bill
No. 164 was passed by the Senate on December 17, 1987.


ERIBERTO M. BERNAL
Secretary of the Senate