



HOUSE OF REPRESENTATIVES

H. No. 8553

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BAGATSING, PRIMICIAS-AGABAS, ANTONINO, SUAREZ, ATIENZA,
PADUANO, ABAYON, BRAVO (A.), BERTIZ, CAMPOS, LOPEZ (B.),
MATUGAS, BELARO, GULLAS AND SALON, PER COMMITTEE
REPORT NO. 925

AN ACT PRESCRIBING THE MECHANISMS TO FACILITATE
THE DISPOSITION OF IDLE GOVERNMENT-OWNED
LANDS FOR SOCIALIZED HOUSING

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

1 SECTION 1. *Short Title.* – This Act shall be known as the
2 “Idle Government-owned Lands Disposition Act”.

3 SEC. 2. *Declaration of Policy.* – It is hereby declared the
4 policy of the State to ensure the availability of sufficient lands for
5 socialized housing purposes and improve the capability of local
6 government units (LGUs) in undertaking housing and urban
7 development programs and projects.

1 SEC. 3. *Inventory of Lands.* – To carry out the provisions of
2 this Act, an inventory of all idle government-owned lands shall be
3 conducted within one (1) year from the effectivity of this Act. The
4 Housing and Urban Development Coordinating Council (HUDCC)
5 through the National Housing Authority (NHA), in coordination
6 with the Department of Environment and Natural Resources
7 (DENR) through the Land Management Bureau (LMB), shall
8 conduct an inventory of all lands owned by the national government
9 or any of its subdivisions, instrumentalities or agencies, including
10 government-owned or -controlled corporations (GOCCs) and their
11 subsidiaries which have not been used for the purpose for which
12 they have been reserved for the past ten (10) years.

13 The Department of the Interior and Local Government (DILG)
14 through the LGUs shall conduct an inventory of all local
15 government-owned lands within their respective localities which
16 have remained idle. For monitoring purposes, the DILG shall
17 furnish the HUDCC a copy of its inventory.

18 The inventories stated in the preceding paragraphs shall be
19 updated every three (3) years.

20 SEC. 4. *Identification and Setting Aside of Lands for*
21 *Socialized Housing.* – After the conduct of the inventory:

22 (a) All LGUs are hereby directed to identify and set aside idle
23 local government-owned lands which are suitable for socialized
24 housing: *Provided*, That the Housing and Land Use Regulatory
25 Board shall provide technical assistance to the LGUs in the
26 identification thereof and their eventual setting aside for and
27 disposition as socialized housing sites: *Provided, further*, That

1 identified lands for socialized housing shall be integrated in the
2 Comprehensive Land Use Plan of LGUs; and

3 (b) The NHA, in coordination with the LMB, is likewise
4 directed to identify idle lands owned by the national government or
5 any of its subdivisions, instrumentalities or agencies, including
6 GOCCs and their subsidiaries, which have not been used for the
7 purpose for which they have been reserved for the past ten (10)
8 years to be set aside for socialized housing: *Provided*, That such
9 lands have been declared open for disposition whether through an
10 act of Congress or other related laws.

11 Except for local government-owned lands, all lands owned
12 by the national government or any of its subdivisions,
13 instrumentalities or agencies, including GOCCs and their
14 subsidiaries identified for socialized housing, shall immediately be
15 transferred to the NHA to be set aside for the purpose subject to the
16 approval of the President of the Philippines: *Provided*, That lands
17 comprising the acquired assets of GOCCs and government financial
18 institutions (GFIs) engaged in shelter financing that are taken
19 possession of in their ordinary conduct of business and lands they
20 hold in trust for and on behalf of their members are not covered
21 under this Act.

22 SEC. 5. *Sale, Alienation or Encumbrance of Other*
23 *Government-owned Lands Not Set Aside for Socialized Housing.* –

24 Whenever a government-owned land not set aside for socialized
25 housing, whether owned by the LGUs or the national government or
26 any of its subdivisions, instrumentalities or agencies, including
27 GOCCs and their subsidiaries, is sold, alienated or otherwise

1 encumbered in favor of private individuals or entities for its
2 development into industrial, commercial or other similar estates,
3 there shall be set aside, as may be necessary, at least ten percent
4 (10%) of the proceeds thereof for the development of socialized
5 housing projects within, adjacent to the affected areas or in nearby
6 areas within the city or municipality in accordance with the local
7 development land use plan: *Provided*, That lands comprising the
8 acquired assets of GOCCs and GFIs engaged in shelter financing
9 that are taken possession of in their ordinary conduct of business
10 and lands they hold in trust for and on behalf of their members are
11 not covered under this Act: *Provided, further*, That low-salaried
12 employees of the government agency that sold, alienated or
13 otherwise encumbered such idle land shall be given first priority as
14 beneficiaries of the socialized housing projects to be developed.

15 SEC. 6. *Conveyance of Segregated Land or Fund.* – For land
16 owned by the national government or any of its subdivisions,
17 instrumentalities or agencies, including GOCCs and their
18 subsidiaries, the segregated land or fund shall be conveyed at no
19 cost to the NHA which shall be directly responsible for the
20 development of socialized housing projects: *Provided, however*, That
21 for a land owned by an LGU, the segregated land or fund shall be
22 retained by the concerned LGU to be utilized exclusively for its
23 socialized housing projects.

24 SEC. 7. *Implementation of Socialized Housing Projects.* – For
25 purposes of implementing socialized housing projects on lands set
26 aside for socialized housing and utilizing the funds set aside from
27 the sale, alienation and encumbrance of other lands not set aside for

1 socialized housing, the concerned LGU and the NHA shall develop
2 or cause the development of projects pursuant to Sections 4, 5 and 6
3 of this Act.

4 Toward this end, the NHA and the concerned LGU are hereby
5 authorized to enter into joint venture agreements or other similar
6 arrangements with private developers or nongovernmental
7 organizations (NGOs) engaged in housing production: *Provided,*
8 That the cost of housing unit, if constructed within the affected area
9 or locality pursuant to Section 5 hereof, shall exclude the cost of
10 land.

11 In all cases, the NHA and the concerned LGU shall coordinate
12 with each other in the development of socialized housing projects in
13 the areas described in Section 5 of this Act.

14 SEC. 8. *Incentives for Private Developers and NGOs.* – To
15 encourage private sector and NGO participation in socialized
16 housing projects described in Section 7 hereof, the incentives
17 provided in Section 20 of Republic Act No. 7279, otherwise known as
18 the "Urban Development and Housing Act of 1992", on Incentives
19 for Private Sector Participating in Socialized Housing, shall apply.

20 SEC. 9. *Implementing Rules and Regulations.* – Within six
21 (6) months after the effectivity of this Act, the HUDCC and the
22 DENR are hereby directed to promulgate the necessary rules and
23 regulations, including the mechanisms and procedures on the
24 conduct of inventory and identification of lands suitable for
25 socialized housing, to effectively implement the provisions of this
26 Act. In drafting the implementing rules and regulations, the

1 National Urban Development and Housing Framework described in
2 Republic Act No. 7279 shall be taken into consideration.

3 SEC. 10. *Separability Clause.* – If any part or provision of
4 this Act is declared invalid for any reason, the remainder of this Act
5 not affected thereby shall remain valid and effective.

6 SEC. 11. *Repealing Clause.* – All laws, decrees, executive
7 orders, letters of instruction, rules and regulations or parts thereof
8 inconsistent with any of the provisions of this Act are hereby
9 repealed, modified, superseded or amended accordingly.

10 SEC. 12. *Effectivity.* – This Act shall take effect
11 fifteen (15) days after its publication in the *Official Gazette* or in a
12 newspaper of general circulation.

Approved,

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