

**TWENTIETH CONGRESS OF THE
REPUBLIC OF THE PHILIPPINES**
First Regular Session

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25 AUG -7 P2 :57

SENATE

S.B. No. 1109

RECEIVED BY:



Introduced by SEN. WIN GATCHALIAN

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

EXPLANATORY NOTE

The COVID-19 pandemic has opened our eyes to the country's looming housing crisis while driving many Filipinos into financial hardships. Evictions in informal communities have surged, endangering the health of displaced informal settlers struggling to find shelter.

For years, ordinary Filipinos have struggled with severe lack of affordable housing, weak tenant protections, limited social or public housing, and inadequate housing, especially during the pandemic. The Open Society Foundations find that globally, "abusive mortgage lending practices and the failure to regulate the financialization of housing have consolidated a system that reproduces housing precariousness and homelessness."¹ According to the Commission on Human Rights, this highlights the gaps in the State's protection of the Filipino's right to housing which is evident in the rising homelessness and informal settlements in both urban and rural areas, and in the growing impoverished population in the Philippines.²

¹ "Protecting the Right to Housing during the COVID-19 crisis" by Open Society Foundations; <https://www.justiceinitiative.org/publications/protecting-the-right-to-housing-during-the-covid-19-crisis>

² <https://chr.gov.ph/statement-of-chr-spokesperson-atty-jacqueline-ann-de-guia-on-the-proposed-senate-bill-imposing-a-moratorium-on-rental-payments-and-evictions-during-emergencies-and-calamities/>

Accordingly, this proposed measure aims to protect poor Filipino families from the adverse effects, as well as cushion the impact, of disasters and other emergencies through a 30-day moratorium on rental payment, reckoned from the termination of the state of calamity. Bearing in mind that depriving Filipinos of shelter right after the occurrence of disasters or emergencies will leave them more vulnerable, this bill likewise introduces a moratorium on eviction. These mechanisms would give Filipinos affected by disasters enough time and breathing room to cope with the economic effects of such disasters and other emergencies.

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



WIN GATCHALIAN

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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 SEC. 2. *Declaration of Policy.* — In the interest of promoting the common good
5 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 SEC. 3. *Definition of Terms.* — For purposes of this Act, these terms are defined
10 as follows:

11 a. "Disaster" refers to a serious disruption of the functioning of a community or
12 a society involving widespread human, material, economic or environmental losses
13 and impacts, which exceeds the ability of the affected community or society to cope

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

8 b. "Emergency" refers to unforeseen or sudden occurrence, especially danger,
9 demanding immediate action.

10 c. "State of Calamity" refers to a condition involving mass casualty and/or major
11 damages to property, disruption of means of livelihoods, roads, and normal way of life
12 of people in the affected areas as a result of the occurrence of natural or human-
13 induced hazard.

14 d. "Rent" refers to 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" refers to an apartment, house and/or land on which
17 another's dwelling is located and used for residential purposes and shall include not
18 only building houses, dormitories, rooms and bedspaces offered for rent by their
19 owners, except motels, motel rooms, hotels, hotel rooms, but also those used for
20 home industries, retail stores or other business purposes if the owner thereof and their
21 family actually live therein and use it principally for dwelling purposes.

22 f. "Lessee" refers to a person renting a residential unit.

23 g. "Owner/Lessor" refers to the owner or administrator or agent of the owner
24 of the residential unit.

25 h. "Sublessor" refers to the person who leases or rents out a residential unit
26 leased to him by an owner.

27 i. "Sublessee" refers to the person who holds a lease which was given to
28 another person for all or part of a property.

1 SEC. 4. *Scope of Application.* — This Act shall cover disasters and other kinds
2 of emergencies which may be (1) national in scope, as stated in the Declaration of a
3 State of Calamity or State of National Emergency by the President of the Philippines,
4 or (2) provincial, city or municipal in scope, as declared through a State of Calamity
5 or Emergency by the appropriate local government unit.

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

16 The benefit of this moratorium on rental payment may be applied to commercial
17 or office space rental of Micro, Small and Medium Enterprises (MSMEs), as defined in
18 Republic Act (RA) No. 9501, otherwise known as the "Magna Carta for MSMEs", as
19 amended, at the discretion of the Secretary of the Department of Trade and Industry
20 (DTI), taking into consideration the fact of closure/shutting down of businesses,
21 community quarantine orders, or any other circumstance that may hamper their
22 operations.

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

26
27 SEC. 6. *Moratorium on Eviction.* — During the same period stated in Section 5
28 of this Act, the lessor, sublessor or owner of a residential unit may not make, or cause
29 to be made, any eviction or similar legal proceeding to recover possession of the
30 residential unit from the lessee/sublessee regardless of cause, except when a

1 lessee/sublessee perpetrates a criminal act that threatens the life, limb and property
2 of the lessor, sublessor or owner or their immediate family, or other tenants or staff
3 of the property in which the residential unit is located.

4 The benefit of this moratorium on eviction may be applied to commercial or
5 office space rental of MSMEs, as defined in RA 9501, as amended, at the discretion of
6 the DTI Secretary, taking into consideration the fact of closure/shutting down of
7 businesses, community quarantine orders, or any other circumstance that may hamper
8 their operations.

9
10 SEC. 7. *Implementing Rules and Regulations.* — Within sixty (60) days from
11 the effectivity of this Act, the DTI and the Department of Human Settlements and
12 Urban Development (DHSUD), in consultation with other relevant government
13 agencies and stakeholders, shall issue the necessary rules and regulations to
14 implement the provisions of this Act.

15
16 SEC. 8. *Repealing Clause.* — All laws, presidential decrees, executive orders,
17 proclamations, rules and regulations, or any part thereof, which are inconsistent with
18 the provisions of this Act are hereby repealed or modified accordingly.

19
20 SEC. 9. *Separability Clause.* — If any provision or part of this Act, or the
21 application thereof to any person or circumstance, is held unconstitutional or invalid,
22 the remainder of this Act shall not be affected thereby.

23
24 SEC. 10. *Effectivity.* — This Act shall take effect fifteen (15) days from its
25 publication in the Official Gazette or in at least two (2) newspapers of general
26 circulation.

Approved,