



Republic of the Philippines  
DEPARTMENT OF PUBLIC WORKS AND HIGHWAYS  
**CENTRAL OFFICE**  
Manila



OFF. 7 DPWH

06.16.2025

16 JUN 2025

**DEPARTMENT MEMORANDUM**

**CIRCULAR NO.**  
**Series of 2025**

38

July 6/16/2025

**FOR / TO : Senior Undersecretary**  
**Undersecretaries**  
**Assistant Secretaries**  
**Regional Directors**  
**Bureau Directors**  
**Service Directors**  
**Heads of UPMOs**  
**District Engineers**  
**Heads of Attached Agencies**  
**Others Concerned**  
This Department

For information and guidance, attached is a certified copy of **Republic Act No. 12216** which was approved on May 29, 2025 entitled: **"AN ACT STRENGTHENING THE NATIONAL HOUSING AUTHORITY BY EXTENDING ITS CORPORATE TERM AND RATIONALIZING ITS POWERS, REPEALING PRESIDENTIAL DECREE NO. 757, SERIES OF 1975, AS AMENDED, AND FOR OTHER PURPOSES"**.

A copy of the said Republic Act may also be downloaded from the DPWH website: <http://dpwhweb>. If an office cannot access the DPWH website, a hard copy may be obtained from the Records Management Division, HRAS, upon request.

For dissemination to all concerned.

  
**ATTY. MICHAEL S. VILAFRANCA, CESO III**  
Assistant Secretary for Support Services

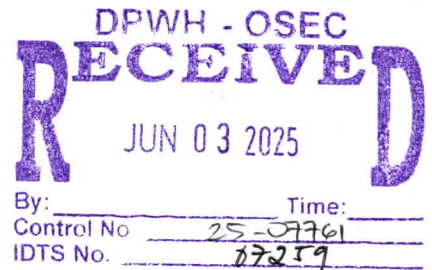
Encl: As stated

cc: Office of the Secretary

10.1.4 GME/VGV



**Office of the President**  
**Malacañang**



Manila, 30 May 2025

**THE SECRETARY**

Department of Public Works and Highways  
Manila



**Sir:**

I have the honor to transmit for your information and guidance, a certified copy of Republic Act No. 12216, which was approved on May 29, 2025 entitled **"AN ACT STRENGTHENING THE NATIONAL HOUSING AUTHORITY BY EXTENDING ITS CORPORATE TERM AND RATIONALIZING ITS POWERS, REPEALING PRESIDENTIAL DECREE NO. 757, SERIES OF 1975, AS AMENDED, AND FOR OTHER PURPOSES"**.

Thank you.

Very truly yours,

**ATTY. LOVELY V. TOLENTINO-NAVA**  
Director IV

**MALACAÑANG RECORDS OFFICE**

Room 128, Mabini Hall, Malacañang Palace Complex,  
Jose P. Laurel Street, San Miguel, Manila 1005  
Tel. No. 8249-8310 local 8313, 8300 | Email address: mro@op.gov.ph



S. No. 2818  
H. No. 10172

Republic of the Philippines  
**Congress of the Philippines**  
Metro Manila

Nineteenth Congress

Third Regular Session

Begun and held in Metro Manila, on Monday, the twenty-second  
day of July, two thousand twenty-four.

[ REPUBLIC ACT NO. 12216 ]

AN ACT STRENGTHENING THE NATIONAL HOUSING  
AUTHORITY BY EXTENDING ITS CORPORATE  
TERM AND RATIONALIZING ITS POWERS,  
REPEALING PRESIDENTIAL DECREE NO. 757,  
SERIES OF 1975, AS AMENDED, AND FOR OTHER  
PURPOSES

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

SECTION 1. *Short Title.* – This Act shall be known as  
the “National Housing Authority Act”.

SEC. 2. *Declaration of Policy.* – It is the policy of the  
State to ensure a continuing and sustainable program for  
urban land reform and housing which shall make available  
affordable and decent housing, and provide basic services to

underprivileged and homeless citizens, to guarantee freedom from poverty, raise the standard of living, and improve the quality of life for all.

The State, in partnership with stakeholders and the private sector, shall:

(a) Expand people's access to affordable, adequate, safe, and secure shelter in well-planned and sustainable communities;

(b) Enable informal settler families to live in resilient, vibrant, and connected urban communities;

(c) Promote inclusive and integrated housing that is culturally sensitive, responsive to local context and special needs, and in accordance with appropriate standards and designs;

(d) Develop and sustain close partnerships with local government units (LGUs) to enhance and streamline the formulation, preparation, and implementation of housing programs;

(e) Develop and sustain investments in the housing and urban development sector by promoting partnerships, improving market linkages, simplifying government procedures, and facilitating access to finance, among others;

(f) Improve access to and affordability of housing programs and projects;

(g) Promote climate change-resilient housing and basic infrastructure, taking into account the importance of cultural and environmental stewardship; and

(h) Make land available and accessible for housing.

**SEC. 3. *Statement of Objectives.*** – The State, through its primary national government agency engaged in direct housing production, shall endeavor to achieve the following objectives:

(a) Develop integrated, sustainable, safe, affordable, and resilient communities, particularly for the underprivileged, homeless, and low-income households;

(b) Implement innovative and alternative solutions in addressing the housing needs of informal settler families, the lower-income classes, and the vulnerable sector;

(c) Ensure efficient utilization of existing and future assets to support the programs of the Authority;

(d) Adopt viable land acquisition and management approaches;

(e) Promote fast and efficient response to the needs of families due to natural or human-induced disasters and calamities; and

(f) Strengthen housing as a platform to reduce poverty, promote climate resilience, improve health and socio-cultural outcomes, and promote economic development.

**SEC. 4. *Name and Corporate Existence.*** – The National Housing Authority (NHA) herein referred to as the “Authority”, created by virtue of Presidential Decree No. 757, series of 1975, as amended, shall continue to exist as a corporate body and shall operate under the provisions of this Act. It shall develop and implement a comprehensive, integrated, and affordable housing program. The Authority shall retain its principal office in Metro Manila but may have such regional and district offices, or subsidiaries in other areas all over the country, as it may deem proper and necessary. The Authority shall be under the administrative supervision of the Department of Human Settlements and Urban Development (DHSUD) pursuant to Republic Act No. 11201, or the “Department of Human Settlements and Urban Development Act” and shall exist for another twenty-five (25) years commencing on July 31, 2025, subject to mandatory review, as provided under Section 25 of this Act.

**SEC. 5. *Capitalization.*** – The authorized capitalization of the Authority shall be increased from Five billion pesos (P5,000,000,000) to Ten billion pesos (P10,000,000,000) which shall be fully subscribed and paid by the Republic of the Philippines, as follows:

(a) The balance of the Five billion pesos (P5,000,000,000) capitalization previously authorized shall be included in the General Appropriations Act for Fiscal Year 2026; and



(b) The remaining balance of Five billion pesos (P5,000,000,000) shall be fully paid within a period of ten (10) years and included in the annual General Appropriations Act.

SEC. 6. *Powers and Functions of the Authority.* – The Authority shall exercise the following powers and functions:

#### I. General Powers

(a) Exercise the power of succession, to sue and be sued, and to adopt and use a seal which shall be judicially noticed;

(b) Enter into contracts, whenever necessary, under such terms and conditions as it may deem proper and reasonable;

(c) Acquire property rights and interests, and encumber or otherwise dispose the same, as it may deem appropriate;

(d) Borrow funds from any source, private or government, foreign or domestic;

(e) Receive donations, grants, bequests, and fund transfers from private persons or entities and other branches of the government, including LGUs, and utilize the same for the attainment of its objectives. Such donations, grants, and bequests shall be exempt from the payment of transfer taxes and fully deductible from the gross income of the donor or grantor for income tax purposes;

(f) Maintain a provident fund, which shall consist of contributions made by both the earnings of the Authority and its officers and employees, for the payment of benefits to such officers and employees or their heirs under such terms and conditions as it may prescribe, subject to the provisions of Republic Act No. 10149, or the "GOCC Governance Act of 2011", and other executive issuances; and

(g) Perform such other acts not inconsistent with this Act, as may be necessary to effect the policies and objectives herein declared.

#### II. Management Services

(a) Formulate and enforce general and specific policies for housing and resettlement according to the National Housing and Urban Development Policy set by the DHSUD;

(b) Monitor and discharge all responsibilities of the government as may arise from treaties, agreements, and other commitments on housing and resettlement, including the determination of forms of assistance for housing development to be extended through multilateral or bilateral assistance programs;

(c) Develop and maintain a database and census of households and families along waterways, in danger areas, government infrastructure project sites, and government-owned lands in Metro Manila and all regions nationwide, which shall be used for subsequent government interventions with housing and resettlement component; and

(d) Establish a socialized and low-cost housing loan restructuring and condonation program, subject to the terms and conditions as the Board of Directors may prescribe: *Provided*, That the following shall be excluded from the program:

(1) An account without a single payment since takeout;

(2) An account in which the housing unit has been abandoned by the borrower for more than one (1) year from the date of delinquency;

(3) An account in which the housing unit is occupied by a third party other than the original registered beneficiary or his/her legal heirs; and

(4) An account that has been foreclosed or for which a contract to sell has been cancelled:

*Provided, further*, That the terms and conditions of the condonation program may include the re-classification of additional interest, or interest on unpaid interest, as penalties, which may also be condoned.

### III. Housing Operations and Support Services

(a) Develop and implement comprehensive and integrated housing and urban and rural development programs for qualified beneficiaries, including but not limited to:

(1) Upgrading of informal settlement programs to improve blighted urban areas, including existing resettlement sites;

(2) Production and disposition of shelters for the underprivileged and homeless including the provision of housing grants and socialized housing programs pursuant to Republic Act No. 7279 or the "Urban Development and Housing Act of 1992";

(3) Resettlement of informal settler families affected by government infrastructure projects and families living in danger areas;

(4) Relocation of families subject of court-ordered eviction; and

(5) Housing programs for low-income and homeless government employees.

(b) Prescribe guidelines and standards for the reservation, conservation, and utilization of public lands identified for housing and resettlement;

(c) Formulate an internal control, monitoring, and management system to develop a dynamic organizational culture, ensure efficient operations and financial sustainability, and enforce standards and parameters for site selection, housing design, project management, social preparation, beneficiary selection, cost recovery and grant schemes, estate management, and project close-out and disengagement, consistent with applicable policies set by the DHSUD;

(d) Strengthen participation of affected families from the social preparation stage until the actual relocation and resettlement. Housing programs and projects shall be publicly available in a manner that provides housing residents, assisted families, and other interested parties an opportunity to study

and comment on the measures for a period not shorter than sixty (60) days. The Authority, in preparing a final plan of amendments, shall consider comments or views received from stakeholders. The final plan, program, amendment, or report shall be made available to the public;

(e) Provide technical assistance to LGUs in the implementation of their own housing programs, or to private developers undertaking low-cost housing projects, consistent with the standards and direction set by the DHSUD;

(f) Undertake financing of housing programs initiated by LGUs or families affected by calamities and strictly monitor their implementation and completion;

(g) Extend shelter services to victims of calamities, natural or man-made, as declared by the President;

(h) Expedite the processing and issuance of national and local permits, licenses, and certifications in times of national emergency pursuant to Republic Act No. 11517, or "An Act Authorizing the President to Expedite the Processing and Issuance of National and Local Permits, Licenses and Certifications in Times of National Emergency";

(i) Support national government agencies and LGUs requiring assistance in the implementation of their programs and projects for socialized housing by producing housing units for informal settler and low-income families identified for priority relocation, including those residing in areas earmarked for national infrastructure projects of the Department of Public Works and Highways (DPWH) and the Department of Transportation (DOTr);

(j) Improve or redevelop completed housing projects not yet turned over by the Authority, including the demolition of previously erected structures determined to be structurally unsound, subject to existing laws and regulations, and the Authority's duty to run after those responsible for the structurally unsound and substandard projects;

(k) Develop and undertake housing development and resettlement projects through joint ventures or other arrangements with private entities as authorized under



Republic Act No. 11966, otherwise known as the "Public-Private Partnership (PPP) Code of the Philippines", and with relevant government agencies and LGUs to:

(1) Ensure the implementation of sustainable livelihood programs and provision of job opportunities, which are responsive to the needs of its housing community;

(2) Construct basic community facilities and utilities such as power, water, information and communication technology (ICT) utilities, and implement urban and rural development projects in permanent resettlement areas;

(3) Strengthen convergence programs for socialized housing beneficiaries; and

(4) Enhance the efficiency and effectiveness of housing projects; and

(l) Facilitate and accept unsolicited proposals from LGUs and joint ventures with private developers, pursuant to Republic Act No. 11966, in the absence of an existing plan or capacity to improve resettlement sites.

#### IV. Asset Management and Business Development

(a) Exercise the right of eminent domain, purchase, sell, or exchange lands for purposes of housing development, resettlement, and other related services and facilities, or lease such assets in the case of mixed-use developments;

(b) Issue bonds or contract loans, credits, or indebtedness, including suppliers' credit or any deferred payment arrangement with any person or entity, domestic or foreign, for the implementation of its housing programs, as well as for the refinancing of its debt;

(c) Invest its funds, as it may deem proper, in bonds and securities issued and guaranteed by the government or by the Bangko Sentral ng Pilipinas (BSP);

(d) Ensure the collection and recovery of all indebtedness, liabilities, and accountabilities with the right to demand

payment due from all obligors, whether public or private. In case of failure or refusal of the obligor or debtor to comply with the demand, the Authority shall initiate and institute the necessary actions or suits, criminal, civil, administrative, or otherwise, before the courts, tribunals, commissions, boards, or bodies of proper jurisdiction.

The Authority may compromise or release, in whole or in part, any interest, penalty, or obligation in connection with the collection of amortizations from its awardees: *Provided*, That the Authority shall have the power to summarily eject and dismantle, without the necessity of judicial order, any and all informal settler families, as well as any illegal occupant in any homelot, apartment, or dwelling unit from government resettlement projects, as well as properties owned or administered by it. In all these cases, proper notice of ejectment, either by personal service or by posting the same on the lot or door of the apartment, as the case may be, shall be given to the informal settler family or illegal occupant concerned at least ten (10) days before the scheduled ejectment from the premises. In the exercise of such power, the Authority shall promulgate guidelines for the implementation of the eviction and dismantling process;

(e) Generate additional sources of financing through but not limited to PPPs or Build Operate and Transfer (BOT), or any other arrangement between the government and the private sector; and

(f) Engage in landbanking by acquiring and investing in lands situated in strategic locations particularly near train stations, ports, and other high-capacity transit hubs for purposes of socialized housing development, in coordination with the DOTr, DPWH, National Economic and Development Authority (NEDA), and the DHSUD.

SEC. 7. *The Board of Directors; Its Composition.* – The powers of the Authority shall be exercised through the Board of Directors herein referred to as the "Board", which shall be composed of nine (9) members, consisting of the following: Secretary of the DHSUD; Secretary of the DPWH; Secretary of the Department of Finance (DOF); Secretary of the Department of the Interior and Local Government (DILG);

Secretary of the Department of Budget and Management (DBM); Director-General of the NEDA; General Manager of the Authority; and two (2) expert panel members with expertise in housing, urban planning, and development.

The two (2) expert panel members shall be appointed by the President of the Philippines from a shortlist submitted by the Governance Commission for GOCCs (GCG).

They must have the following qualifications: (a) Filipino citizens of good moral character; (b) of recognized probity and independence; (c) have distinguished themselves professionally in public, civic, or academic service; (d) with at least seven (7) years in the practice of their professions; and (e) have not been appointed within one (1) year after losing in the immediately preceding elections, whether regular or special. The members of the Board shall appoint their respective permanent alternates who shall be officials next in rank to them and whose acts shall be considered as acts of their principals, with the right to receive their benefits.

The Secretary of the DHSUD shall be the *ex officio* Chairperson of the Board. All appointive directors must have qualified under the Fit and Proper Rule, as defined by Republic Act No. 10149. An appointive director shall serve for one (1) year, unless sooner removed for cause. The director shall, however, continue to hold office until the successor is appointed.

The Board shall meet regularly at least once a month, but special meetings may be called either by the Chairperson or by five (5) members of the Board, as may be necessary. Five (5) members of the Board shall constitute a quorum and all decisions of the Board shall require the concurrence of at least five (5) members.

SEC. 8. *Powers and Functions of the Board.* – The Board shall have the following powers and functions, as well as the usual corporate powers:

(a) Promulgate such rules and regulations, as may be necessary or proper, for the effective exercise of the powers and functions, as well as the discharge of the duties and responsibilities, of the Board, its officers, and employees;

(b) Act upon the annual budget and such supplemental budgets of the Authority submitted by the General Manager: *Provided*, That the Board may reduce but not increase any item proposed by the General Manager;

(c) Subject to the approval of the GCG as provided under Republic Act No. 10149, approve the Authority's organizational and administrative structures and staffing pattern, and establish, fix, review, revise, and adjust the appropriate compensation package of its officers and employees as submitted by the General Manager;

(d) Approve financial or investment schemes and transactions entered into by the General Manager;

(e) Approve all contracts or agreements, as may be necessary for the attainment of the purposes and objectives of this Act;

(f) Approve all memoranda of agreements, joint ventures, long-term leases, and management contracts with the private sector, which may include real estate developers or construction companies with dependable reputations and proven track record in developing and managing real estate ventures;

(g) Prescribe the policy for the condonation or compromise, in whole or in part, of penalties, interests, or civil liabilities imposed on beneficiaries with delinquent accounts who, for justifiable reasons, failed to pay on time any obligation due to the Authority;

(h) Approve annual reports that will be submitted to the President and other special reports, as may be requested; and

(i) Exercise such other powers necessary for the attainment of the purposes of this Act.

SEC. 9. *Duties and Responsibilities of the General Manager.* – The General Manager shall be appointed by the President and shall have the following duties and responsibilities:

(a) Execute and administer the policies and resolutions approved by the Board and prepare its agenda;



(b) Direct and supervise the operations, management, and internal affairs of the Authority. The General Manager may delegate certain administrative responsibilities to other officers of the Authority, subject to the rules and regulations promulgated by the Board;

(c) Recommend the number and compensation of and appoint the subordinate officers and personnel of the Authority and remove or otherwise discipline for cause any such officer or employee pursuant to the provisions of Republic Act No. 10149 and laws, rules, and regulations of the Civil Service Commission (CSC);

(d) Represent the Authority in all dealings with other offices, agencies, and instrumentalities of the Government and with all persons and entities, public or private, domestic or foreign;

(e) Act on all matters that are not specifically reserved to the Board by this Act;

(f) Solely confer house and lot or housing unit awards to eligible beneficiaries based on the eligibility criteria provided by the Authority;

(g) Adjudicate, to the exclusion of court cases filed, matters questioning the propriety of house and lot or housing units awarded to the Authority's beneficiaries. The Authority shall promulgate its rules and regulations governing the adjudication of cases before it: *Provided*, That the cases decided by the General Manager may be elevated on appeal to the Secretary of the DHSUD;

(h) Within the limits of the authority delegated by the Board, to execute contracts, incur obligations, acquire and dispose of assets and documents on behalf of the Authority;

(i) Report and submit to the Board within thirty (30) days after the close of each fiscal year, if applicable, a comprehensive report on the operations of the Authority for the preceding year, and the state of its affairs;

(j) Prepare and submit budget proposals to the DBM for inclusion in the National Expenditure Program (NEP), as approved by the Board; and

(k) Exercise such other powers and duties as may be vested by the Board.

SEC. 10. *Assistant General Managers.* – The General Manager shall be assisted by three (3) Assistant General Managers, who shall be appointed by the President, upon the recommendation of the General Manager. The General Manager is further authorized to delineate and assign other functional areas or responsibilities of the Assistant General Managers.

SEC. 11. *Qualifications and Appointment.* – The General Manager and Assistant General Managers of the Authority must be citizens and residents of the Philippines, of good moral character, of proven integrity, competence, and expertise in housing, urban planning, and development, and must have qualified under Section 16 of Republic Act No. 10149.

SEC. 12. *Organizational Structure and Staffing Pattern.* – Subject to the approval of the GCG, the Board shall determine the Authority's organizational structure, and create new divisions or units as it may deem necessary, in accordance with civil service laws, rules, and regulations.

Subject to the approval of the GCG, as provided under Sections 8 and 9 of Republic Act No. 10149, the General Manager shall likewise determine the rates of allowances, honoraria, and other additional compensation of its officers, technical staff, and consultants, including necessary detailed personnel.

SEC. 13. *Disaster and Emergency Response Housing Office (DERHO).* – There shall be a DERHO under the Authority which shall formulate plans and programs addressing the needs of displaced families due to natural and human-induced disasters and calamities, and shall ensure effective implementation of post-disaster or emergency housing programs through sustainable, integrated, multi-sectoral, and community-based approaches and strategies, in coordination with the LGUs.

SEC. 14. *Exemption from Taxes and Regulatory Fees.* – All laws to the contrary notwithstanding, the Authority, its assets, properties, and all accruals thereto and income or investment earnings therefrom, as well as supplies, equipment,

papers, or documents, shall be exempt from any tax, assessment, fee, charge, or customs or import duty of any kind, whether imposed by local or national entities.

The exemption includes, but is not limited to, the following: income tax, real property tax, capital gains tax, transfer tax, value-added tax, donor's tax, and similar taxes, and building permit fee, fire inspection permit fee, environmental compliance certificate (ECC) fees, and other regulatory fees. The Authority shall be exempt from the payment of documentary stamp tax and registration fees, including fees required for the issuance of transfer certificates of titles.

**SEC. 15. *Lands for Authority Projects, Management, Conversion, and Classification.*** – Lands identified and designated for Housing and Urban and Rural Development, pursuant to Section 24 of Republic Act No. 11201, shall be assessed by the Authority for program or project feasibility. Should the site evaluation be in the affirmative, said lots may be transferred to the Authority for administration.

This shall not, however, preclude the Authority from pursuing its continuing mandate of identifying, acquiring, and managing lands for the immediate and future needs of its beneficiaries. In pursuit thereof, the Authority must consider, among others, the degree of availability of basic services and utilities, access to modes of transport, proximity to economic opportunities, and the preservation of the social capital of beneficiaries.

Subject to the approval of concerned government agencies, lands identified and approved by the Authority for rehabilitation projects to be developed within areas declared to be under a state of calamity by the President or any competent authority or upon the recommendation of the National Disaster Risk Reduction and Management Council (NDRRMC) or any Local Disaster Risk Reduction and Management Council (LDRRMC), shall be converted and/or re-classified, to facilitate its immediate development. For purposes of site selection under this modality, the Authority shall be guided by the hierarchy of priorities in the acquisition of land under Section 9 of Republic Act No. 7279, and ensure that protected lands, under

special laws such as Republic Act No. 8371, or the "Indigenous Peoples' Rights Act of 1997" and Republic Act No. 6657, or the "Comprehensive Agrarian Reform Law of 1988", as amended, and other agrarian reform laws, shall be preserved for equally important land uses. The Authority, in coordination with the DHSUD, the DILG, the Department of Agriculture (DA), the Department of Agrarian Reform (DAR), the Department of Environment and Natural Resources (DENR), and the National Commission on Indigenous Peoples (NCIP), shall craft the necessary rules and regulations to implement this provision within one hundred eighty (180) days after the approval of the Act.

The conversion and reclassification of lands for housing projects shall be without prejudice to the rights of the beneficiaries under Republic Act No. 6657, as amended.

The Authority, under the supervision of the DHSUD, shall take the lead in the disposition of the lands intended for calamity victims: *Provided*, That the Authority, in coordination with the LGUs, shall determine the beneficiaries according to existing rules and regulations and undertake the identification and evaluation of lands suitable for disposition.

**SEC. 16. *Management or Disposition of Completed Projects.*** – The Authority shall determine, establish, and maintain the most feasible and effective program for the management or disposition of specific housing or resettlement projects. Unless otherwise decided by the Board, completed housing or resettlement projects shall be managed and administered by the Authority until it has been turned over to the concerned LGU or other concerned public or private entity, as the case may be.

**SEC. 17. *Cancellation of Awards.*** – The Authority shall be authorized to revoke the award to beneficiaries of socialized housing units which are unoccupied and abandoned, consistent with the constitutional requirement of due process: *Provided*, That the housing units have been unoccupied and abandoned for at least one (1) year since the disposition of the housing unit to the beneficiary, or abandoned for one (1) year after occupancy: *Provided, further*, That in case of occupation of housing units by a party other than the beneficiary or any



member of the household, the award to the original beneficiary shall be revoked.

SEC. 18. *Issuance of Bonds.* – Subject to the approval of the Secretary of the DOF, after consultation with the Monetary Board of the BSP, the Authority is hereby authorized to issue bonds and other securities to finance the implementation of its housing programs: *Provided*, That only such bonds or securities required by the annual project implementation shall be issued and sold: *Provided, further*, That no bonds or securities shall be issued unless eighty percent (80%) of those already issued have been sold: *Provided, finally*, That the total amount of the bonds or securities issued shall in no case exceed ten (10) times its paid-up capital and surplus. The Authority, in consultation with the Secretary of the DOF and the Monetary Board, shall prescribe the form, rate of interest, and denominations, maturity, negotiability, call or redemption features, and all other terms and conditions of the bonds and securities to be issued.

In promoting the sale of bonds or securities, the Authority is authorized to adopt the lottery scheme provided under existing laws, rules, and regulations.

The bonds and securities issued under this Act, including the income thereof, shall be exempt from all kinds of taxes and from attachment, execution, and seizure, which facts shall be stated on the face thereof.

SEC. 19. *Guarantee by the Government.* – The Republic of the Philippines may guarantee the payment of both the principal and the interest of the bonds, debentures, collaterals, notes, or such other obligations issued or incurred by the Authority by virtue of this Act, and may pay such principal and interest in case the Authority fails to do so. In such event, the Republic of the Philippines shall succeed to all the rights of the holders of such bonds, debentures, collaterals, notes, or other instruments to the extent of the payment made, unless the sum paid by the Republic of the Philippines is refunded by the Authority within a reasonable time: *Provided*, That the issuance of the Republic of the Philippines guarantee shall be subject to necessary approvals from appropriate agencies such as the DOF, the Monetary Board, and the Office of the President.

SEC. 20. *Reports.* – The Authority, upon approval of the Board, shall submit an annual report to the Office of the President, copy furnished the DHSUD, indicating, among others, the housing program being implemented, the stage of implementation, and the financial position of the Authority. It shall likewise submit such periodic or other reports, as may be required, from time to time.

SEC. 21. *Audit.* – The Chairperson of the Commission on Audit (COA) shall appoint a representative and other subordinate personnel to perform and report on such audit duties, responsible to and removable only by the COA Chairperson.

SEC. 22. *Establishment and Upgrading of Operational Systems.* – Within one (1) year after the approval of this Act and its implementing rules and regulations, the Authority shall establish and maintain the following systems and mechanisms to ensure the effective performance of its mandate:

- (a) Debt collection management;
- (b) Information technology system that will integrate the records and database of the different regional offices to facilitate exchange of information and records management;
- (c) Database management system including but not limited to:
  - (1) Census of households and families living along waterways, danger areas, government infrastructure project sites, and government-owned lands in Metro Manila and all regions nationwide;
  - (2) Lot awards and billing information;
  - (3) Beneficiary profiling; and
  - (4) Financial management; and
  - (d) Internal control system to improve management, administration of properties, and disposition of programs.

SEC. 23. *Transitory Provision.* – Nothing in this Act shall operate to abolish the Authority and affect the validity or legality of any right, duty, or obligation created by or in respect of the Authority prior to the effectivity of this Act. The Authority shall continue to assume all rights, obligations, and liabilities that it had during the effectivity of its original charter.

The DHSUD shall cause the Board to deliberate and reach agreements on the reorganization of the Authority, pursuant to Republic Act No. 11201, especially with regard to the mandates of the Authority and its relations to other key shelter agencies (KSAs) and LGUs. An advisory group composed of the GCG, NEDA, and the DHSUD shall assist the Board in formalizing the reorganization as it pertains to the Authority.

The DHSUD shall ensure the translation of the KSA reorganization into operational approaches, staffing patterns, and resources for the Authority. In support of the Board, the NEDA and GCG shall periodically evaluate the fitness of the programs, activities, projects, and personnel deployment of the Authority, corresponding to its revised role.

SEC. 24. *Absorption or Separation from Service of Employees.* – The existing employees of the Authority holding permanent appointments shall enjoy security of tenure and be given priority by the Authority in filling up the positions that may be created upon the approval of the new organizational staffing pattern. The formulation of the new organizational staffing pattern shall be completed within one (1) year after the effectivity of this Act and implemented within a period of six (6) months thereafter.

Employees who opt to be separated from the service shall, within one (1) month from separation, receive separation benefits in accordance with existing laws. Those who are qualified may retire and be entitled to all the benefits provided under existing retirement laws.

SEC. 25. *Mandatory Review.* – Five (5) years after the effectivity of this Act, and every five (5) years thereafter, the DHSUD, COA, and GCG shall conduct a systematic evaluation

of the Authority, its performance, and organizational structure and, if necessary, recommend the reorganization, consolidation, or abolition and transition of the Authority. Indicators shall include housing production, occupancy rates, collection efficiency, number of families served, findings of the COA, and beneficiary feedback. This evaluation report shall be released and made available to stakeholders and the public.

SEC. 26. *Implementing Rules and Regulations.* – The Authority shall formulate the implementing rules and regulations necessary to effectively carry out the provisions of this Act which shall be approved and promulgated by the Board of Directors of the Authority not later than ninety (90) days after the approval of this Act.

SEC. 27. *Separability Clause.* – If any provision of this Act is declared invalid or unconstitutional, the remainder thereof not otherwise affected shall remain in full force and effect.

SEC. 28. *Repealing Clause.* – Presidential Decree No. 757, series of 1975, as amended, is hereby repealed. All laws, presidential decrees, executive orders, letters of instruction, proclamations, or administrative regulations that are inconsistent with the provisions of this Act are hereby repealed, amended, or modified accordingly.

SEC. 29. *Effectivity.* – This Act shall take effect fifteen (15) days after its publication in the *Official Gazette* or in a newspaper of general circulation.

Approved,

  
FERDINAND MARTIN G. ROMUALDEZ  
Speaker of the House  
of Representatives

  
FRANCIS "CHIZ" G. ESCUDERO  
President of the Senate



This Act was passed by the Senate of the Philippines as Senate Bill No. 2818 and adopted by the House of Representatives as an amendment to House Bill No. 10172 on February 3, 2025.




REGINALD S. VELASCO  
*Secretary General  
House of Representatives*



RENATO N. BANTUG JR.  
*Secretary of the Senate*

Approved: **MAY 29 2025**



FERDINAND ROMUALDEZ MARCOS JR.  
*President of the Philippines*



O

