

Republic of the Philippines
HOUSE OF REPRESENTATIVES

Second Regular Session
17th Congress

HOUSE BILL NO. **6026**



Introduced by Representative Makmod D. Mending, Jr.
AMIN Party-list

EXPLANATORY NOTE

The Marawi Siege that started on May 23, 2017 between Philippine government security forces and ISIS-inspired Maute group caused severe devastation to residents of Marawi City in an unprecedented scale.

The residents of Marawi are faced with humanitarian and economic crises of severe proportions due to the extent of the devastation to life and property. The burden of rebuilding their homes and livelihood pose additional suffering especially upon those who have to meet financial obligations during this period of extreme difficulty.

During these armed conflict, it is hard enough for the affected residents to recover from their loss. Hence, it is the obligation of the State to help those affected by this crisis to lessen their burdens as much as possible.

One of the concrete measures that can be done to ease the burden of the affected residents and to aid efforts towards rehabilitation, recovery and rebuilding of lives is to grant a debt moratorium on the payment of the principal amount, accrual and collection of interests, penalties and surcharges

on all loans, credit accommodations or financial obligations, whether from private or public financial institutions, obtained by all residents of Marawi City who suffered financial loss or damage to property during the armed conflict.

This bill seeks to provide the Marawi residents who suffered from the devastation of war, an opportunity to immediately recover from damage to property and financial losses.

In view of the foregoing reasons, support for the immediate approval of this bill is earnestly sought.



MAKMOD D. MENDING, JR.

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AN ACT

**GRANTING A THREE-YEAR DEBT MORATORIUM TO AFFECTED RESIDENTS OF
MARAWI CITY**

*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 “*Marawi Debt
Moratorium Act.*”

SEC. 2. **Declaration of State Policy.** – It is a declared policy of the State
to afford Marawi residents, who suffered from the devastation of war, an
opportunity to immediately recover from damage of property and financial
losses.

For this purpose, the State supports the rehabilitation of Marawi City and
its citizens by imposing a moratorium on debt payments of all residents of

1 Marawi City.

2 SEC. 3. **Debt Moratorium.** – For a period of three (3) years after the
3 effectivity of this Act, a debt moratorium is imposed on the payment of the
4 principal amount, accrual and collection of interests, penalties and surcharges
5 on all loans, credit accommodations, or financial obligations, whether from
6 private or public financial institutions, obtained by all residents of Marawi City
7 who suffered financial loss or damage to property during the armed conflict as
8 stated under Proclamation 216, Series of 2017 and its extension. The period of
9 debt moratorium may be extended for another two (2) years, if necessary, by
10 the Governor of the Bangko Sentral ng Pilipinas.

11 SEC. 4. **Beneficiaries.** – Only Marawi City residents who suffered financial
12 loss or damage to property during the armed conflict are qualified to avail of
13 the benefits under this Act.

14 Qualified residents must submit to the barangay chairperson who has
15 jurisdiction over the area their application, together with two valid
16 government issued identification cards (ID) and proof of financial loss or
17 damage to property. The barangay chairperson shall verify the documents
18 submitted and, if in order, shall recommend the issuance of the certificate of
19 claim.

1 In the absence of government-issued ID, any identification document
2 acceptable in the banking industry may be allowed.

3 Within fifteen (15) days from receipt of the application, the barangay
4 chairperson of the barangay with jurisdiction over the residence of the
5 applicant, must act on the application and recommend the issuance of the
6 certificate of claim.

7 The mayor of Marawi City shall act upon the recommendation of the
8 barangay chairperson within five (5) days from receipt thereof, and after
9 verification, issue the necessary certificate of claim.

10 No person can avail of the debt moratorium under this Act unless that
11 person is issued a certificate of claim.

12 **SEC. 5. *Implementing Rules and Regulation.*** – Within sixty (60) days after
13 the effectivity of this Act, the Bangko Sentral ng Pilipinas shall issue the
14 necessary rules and regulations for the efficient and effective implementation
15 of this Act.

16 **SEC. 6. *Effectivity Clause.*** – This Act shall take effect fifteen (15) days
17 after its publication in the *Official Gazette* or in a newspaper of general
18 circulation.

19 Approved,