

THIRTEENTH CONGRESS OF THE REPUBLIC )  
OF THE PHILIPPINES )  
First Regular Session )

'04 JUN 30 P4:15

SENATE

RECEIVED BY: Oulu

S. No. 330

---

Introduced by Senator S. R. Osmeña III

---

#### EXPLANATORY NOTE

This bill seeks to create a ₱1 billion Mayon Reconstruction and Redevelopment Fund as a strategic response of the National Government to the permanent threat posed by Mayon Volcano to the lives and livelihood of the people of Albay and the rest of the Bicol Region. Aside from the destructive effects of Mayon's periodic eruptions, the Bicol region is also periodically visited by typhoons which wreak havoc on the region's agricultural crops and overall economy.

The National Statistics Office (NSO) reports that as of the year 2000 the Bicol Region had one of the highest poverty incidence of 56.2%. This means that 56.2% of Bicol's 5.8 million population earn less than the poverty threshold income of less than ₱ 11, 524 per year. Despite the steady migration of Bicolanos to other regions, Bicol reported an unemployment rate of 7.9%, and an underemployment rate of 29% as of 2003.

Under the provisions of this bill, the Mayon Reconstruction and Redevelopment Fund will finance short-term relief assistance to victims of disasters such as typhoons and volcanic eruptions. In the long term, the Fund will undertake rehabilitation and preemptive development projects to generate business and employment opportunities and uplift the lives of the local population. The bill also proposes the establishment of the Mayon Reconstruction and Redevelopment Commission which will be mandated with the management of the Fund.

This bill is but a token gesture on the part of the national government to compensate for the systemic neglect that Bicol has been relegated to during the last several decades.

In view of the foregoing, early passage of this bill is earnestly requested.



SERGIO OSMEÑA III  
Senator

THIRTEENTH CONGRESS OF THE REPUBLIC )  
OF THE PHILIPPINES )  
First Regular Session )

'04 JUN 30 P4:15

RECEIVED BY: Delee

SENATE  
S. No. 330

---

Introduced by Senator S. R. Osmeña III

---

AN ACT  
CREATING THE MAYON RECONSTRUCTION AND REDEVELOPMENT FUND,  
AND FOR OTHER PURPOSES

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

1 SECTION 1. **Short Title.** – This Act shall be known as the “Mayon  
2 Volcano Reconstruction and Redevelopment Fund.”

3 SEC. 2. **Declaration of Policy.** – It is hereby declared the policy of the  
4 State to assist the communities adversely affected and permanently threatened  
5 by the eruption of Mayon Volcano and its aftereffects by extending to them  
6 relief, resettlement, rehabilitation and livelihood services and by undertaking  
7 construction or repair and reconstruction of infrastructure to the end that  
8 redevelopment of the Province of Albay and the rest of the Bicol region may be  
9 accelerated.

10 SEC. 3. **Statement of Objectives and Guidelines.** – This Act aims to  
11 provide dedicated funds for the immediate relief assistance to the victims; to  
12 establish resettlement centers; homesites and townsites for displaced families;  
13 to provide livelihood ad employment opportunities; to repair, reconstruct or  
14 replace infrastructure damaged or destroyed by said disaster and to construct  
15 new infrastructure facilities that would minimize damage from future eruptions of  
16 Mayon and their aftereffects particularly lahar flows.

1           **SEC. 4. Guidelines in the Allocation of funds.** – The following  
2 guidelines shall be observed in allocating the funds made available under this  
3 Act.

4           (a) In the construction or repair and reconstruction of infrastructure and  
5 facilities, priority shall be given to the resettlement centers, river  
6 control system and drainage works and such other projects as roads,  
7 bridges, communication and power lines, hospitals, school buildings,  
8 irrigation an water systems, and the like;

9           (b) No money shall be released without any identified program and  
10 project nor shall it be used t pay obligations incurred before the  
11 approval of this Act.

12           **SEC. 5. Appropriations Clause.** – To carry out the purposes of this Act,  
13 the sum of One Billion Pesos (P1,000,000,000.00) is hereby appropriated out of  
14 any available funds in the National Treasury not otherwise appropriated.  
15 Disbursement of said one billion pesos (P1,000,000,000.00) shall be  
16 programmed as follows:

17           (a) From the approval of this Act to December 31, 2001, the sum of two  
18 hundred million pesos (P200,000,000.00), at least one hundred million  
19 (P100,000,000:00) of which shall be for resettlement and livelihood  
20 projects and one hundred million (P100,000,000.00) shall be for vital  
21 infrastructure;

22           (b) For the year 2002, the sum of four hundred million (P400,000,000.00);  
23 and

24           (c) For the year 2003, the sum of four hundred million pesos  
25 (P400,000,000.00).

26           *Provided, however,* That undisbursed amounts at the end of any year  
27 shall be carried over to the succeeding year.

28           **SEC. 6. Creation of the Mayon Reconstruction and Redevelopment**  
29 **Commission.** – For purposes of this Act thee is hereby created the Mayon

1 Volcano Reconstruction and Redevelopment Commission, hereinafter referred  
2 to as the "Mayon Commission", under the Office of the President.

3 It shall be organized within thirty (30) days after the approval of this Act. It  
4 shall have a term of six (6) years from its organization: *Provided*, That the  
5 President by proclamation may, within six (6) months prior to the expiration of  
6 the term, extend the period of its existence once for not more than three (3)  
7 years.

8 Such amount as may be necessary for the initial organization and/or  
9 operational expenses of the Commission shall be set aside from the amount  
10 herein appropriated.

11 **SEC. 7. Powers of the Commission.** – The Commission shall have the  
12 following powers:

13 (a) To formulate policies and plans for the relief, rehabilitation,  
14 resettlement and provisions of livelihood services as well as  
15 infrastructure support;

16 (b) To make determination of the areas where the lahar flow may be  
17 diverted to spare communities and/or minimize actual and potential  
18 damage to life, habitation, infrastructure, agriculture and other  
19 resources;

20 (c) To apply for, receive and accept grants and donation of funds,  
21 equipment, materials and services needed for the development of the  
22 area from sources within and outside the Philippines;

23 (d) To sue and be sued in its name, and to adopt, alter and use a seal;

24 (e) To enter into, make, perform and carry out contracts of every class,  
25 kind and description which are necessary to the realization of its  
26 purposes with any person, firm, or corporation, private or public, and,  
27 upon consultation with the President, with foreign government entities,  
28 subject to the usual accounting and auditing requirements;

- 1 (f) To monitor the progress of the relief, rehabilitation, resettlement and  
2 livelihood as well as infrastructure support programs and projects;
- 3 (g) To coordinate and consult with concerned national and local officials,  
4 both elective and appointive, as well as accredited non-government  
5 organization (NGOs) in the prioritization and prosecution of the  
6 programs and projects;
- 7 (h) To call upon any department, office, instrumentality, agency, or any  
8 political subdivision of the Government for such assistance as may be  
9 necessary for the attainment of the objectives of the Commission; and
- 10 (i) To conduct studies on strategic options for relocation of major  
11 infrastructure facilities such as the airport and the seaport;
- 12 (j) In general, to perform such other powers as may be necessary and  
13 proper to carry out the purposes of this Act.

14 **SEC. 8. *Composition of the Commission.*** – The Commission shall be  
15 composed of seven (7) members to be appointed by the President: four (4)  
16 coming from the Cabinet, and three (3) from the private sector. The members of  
17 the Commission shall serve for six (6) years unless sooner removed for cause.  
18 The President shall be designated the Chairman from among the members of  
19 the Commission.

20 **SEC. 9. *Executive Director; Powers and Responsibilities.*** – The  
21 President shall appoint a professional manager as the Executive Director of the  
22 Commission with a compensation to be determined by the Commission, who  
23 shall serve as the chief executive officer. He shall serve until such time as the  
24 Commission is dissolved or unless sooner removed from office by the President.  
25 He shall have the following powers and functions:

- 26 (a) Executive and administer the policies and decisions of the  
27 Commission;

1 (b) Directly coordinate the activities of all agencies and instrumentalities  
2 of the Government in the planning and implementation of projects on  
3 site;

4 (c) Monitor the programs and projects and evaluate the effects of  
5 execution by these agencies and instrumentalities and submit to the  
6 Commission periodic reports relating to the development of the areas;  
7 and

8 (d) Perform such other functions as are inherently necessary in the  
9 operational management of the areas developed in accordance with  
10 the policies and guidelines formulated by the Commission.

11 **SEC. 10. *Implementing Guidelines.*** – This Act shall have the following  
12 guidelines:

13 (a) All projects shall be undertaken by the implementing government  
14 agencies concerned either by public bidding administration or through  
15 negotiated contracts, subject to the usual accounting and auditing  
16 rules and regulations. In the case of negotiated contracts, only duly  
17 pre-qualified and duly licensed contractor as of the approval of this  
18 Act can be awarded such contracts.

19 (b) With respect to aid, relief, resettlement, rehabilitation and livelihood  
20 services to individual beneficiaries, the Commission may seek the  
21 assistance and use the services of the Philippine National Red Cross  
22 and all other relief agencies and volunteer organizations with proven  
23 record in providing relief work.

24 (c) The departments and agencies of the Government involved with the  
25 aid, relief, resettlement, rehabilitation and livelihood services as well  
26 as infrastructure support shall continue to be the implementing  
27 agencies of the Commission and shall submit to the Commission  
28 every quarter the data and information required under Section 11  
29 hereof.

1 (d) Residents in the affected areas, especially the victims, shall be given  
2 preference in hiring or employment in the construction or repair and  
3 reconstruction of damaged or destroyed government infrastructure  
4 and facilities and other labor requirements in all other projects.

5 **SEC. 11. *Quarterly Report.*** – The Commission shall submit to the  
6 President and to Congress a detailed quarterly report on the funds allocated  
7 indicating the amount released, obligated and disbursed for:

8 (a) Aid, relief, resettlement, rehabilitation and livelihood services,  
9 including the list of names of approved individual beneficiaries and  
10 contractors and the evaluation of the effectiveness of the delivery  
11 systems of such services; and

12 (b) Construction or repair and reconstruction of infrastructure projects,  
13 including the list of contractors and projects being financed, and the  
14 accomplishments for the expanded appropriations, including the  
15 percentage of completion.

16 The Commission shall cause to be disseminated in the community the list  
17 of beneficiaries and contractors mentioned above. The Commission shall also  
18 submit as part of the quarterly report a list of local and foreign donors and the  
19 nature of their donations.

20 **SEC. 12. *Joint Congressional Oversight Committee.*** – There is hereby  
21 created the Joint Congressional Oversight Committee to monitor the  
22 implementation of this Act. The Committee shall be composed of five (5)  
23 senators and five (5) representatives to be appointed by the Senate President  
24 and the Speaker of the House of Representatives, respectively. The Oversight  
25 Committee shall be co-chaired by the senator and the representative designated  
26 by the Senate President and Speaker of the House of Representative,  
27 respectively.

28 The mandate given to the Joint Congressional Oversight Committee  
29 under this Act shall be without prejudice to the performance of the duties and

1 functions by the respective existing Oversight Committee of the Senate and the  
2 House of Representatives.

3       SEC. 13. **Prohibition Against Running for Public Office.** – Officers or  
4 employees of the Commission shall not be qualified to be candidate for public  
5 office for the election next following his resignation or separation. This  
6 prohibition does not apply to the chairman and members of the Commission.

7       SEC. 14. **Punishable Acts.** –Any persons who takes advantages of the  
8 calamity by buying and selling relief goods which he receives or should be  
9 known to him as intended for donation, or representing the source or relief  
10 goods, or submitting or approving false or inflated claim shall be prosecuted  
11 and, upon conviction, shall suffer a fine of not less than Fifty thousand pesos  
12 (P50,000.00) but not more than One million pesos (P1,000,000.00) or  
13 imprisonment for not less than six (6) years nor more than fifteen (15) years, or  
14 both, by the discretion of the court, including perpetual disqualification from  
15 public office if he is a public officer, and confiscation or forfeited in favor of the  
16 Government of any prohibited interest. If the offender is a corporation,  
17 partnership, association, or entity responsible for such violation and, if such  
18 officer is an alien, he shall, in addition to penalties prescribed, be deported  
19 without further proceedings to the service of sentence.

20       SEC. 15. **Rules and Regulations.** – The President shall, after ten (10)  
21 days after the organization of the Commission, issue necessary rules and  
22 regulations for the effective implementation of this Act.

23       SEC. 16. **Separability Clause.** If any provision of this Act shall be held  
24 unconstitutional or invalid, the other provisions not otherwise affected shall  
25 remain in full force and effect

26       SEC. 3. **Repealing Clause.** - All laws, decrees, rules and regulations  
27 which are inconsistent with the contrary to the provisions of this Act are hereby  
28 repealed accordingly.



1           SEC. 4. **Effectivity.** This Act shall take effect fifteen (15) days after its  
2 publication in two (2) national newspapers of general circulation

3           Approved,