


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

8 JUN 11 P 3:21

SENATE

RECEIVED BY: 

S. B. No. 2397

INTRODUCED BY HONORABLE MAR ROXAS

EXPLANATORY NOTE

The Philippine Veterans Affairs Office (PVAO) has reported that the total arrearages payable to Filipino veterans is estimated to have already accumulated to P21 billion as of the end of 2006. This does not include arrearages in old age pension, death pensions and educational benefits. Taking all these in consideration, total unpaid obligations of our government to war veterans and military retirees will stand at P26 billion.

While these veterans have fought valiantly and bravely to preserve our country's independence and sovereignty, our government have been remiss in honoring our obligation to provide them and their surviving spouses and orphans adequate care, benefits, and other forms of assistance as mandated by Article XVI, Section 7 of the Constitution. While these veterans have fought valiantly despite most difficult conditions during World War II, our government continues to fall short in giving due recognition to these sacrifices.

It is incumbent upon us not only to settle our unpaid obligations, but also to ensure that the benefits and assistance rightly due to our veterans and military retirees are provided for. Thus, this bill proposes to make use of the proceeds from the development, lease or use of government properties to provide the necessary funds to pay the veterans' and military retirees' pensions and benefits. Specifically, the government properties sought to be covered are: a) the former site of the Philippine Veterans Affairs Office (PVAO) at Arroceros Street, Ermita, Manila; b) the Veterans Memorial Medical Center in Quezon City; c) the Veterans Center in Taguig, Metro Manila; d) the properties given by the Japanese government to the Philippine government under the Reparations Agreement, including the Roppongi and Nampoedai properties in Tokyo and the Naniwa-cho and Obanoyam properties in Kobe; and e) other properties that may be identified by the Office of the President.

It is high time that we recognize the contribution of our veterans and military retirees to the preservation of our country's independence. It is high time that we give honor and recognition where one is due, especially to our proud veterans.

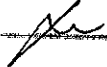
In view of the foregoing, early passage of this bill is earnestly requested.


M A R ROXAS
Senator

FOURTEENTH CONGRESS OF THE)
REPUBLIC OF THE PHILIPPINES)
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AN ACT
PROVIDING FOR THE MANDATORY USE OF PROCEEDS FROM THE DEVELOPMENT,
LEASE OR USE OF GOVERNMENT PROPERTIES FOR THE VETERAN'S PENSIONS AND
BENEFITS

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

1 Section 1. *Declaration of Policy.* - Consistent with the constitutional mandate to
2 provide immediate and adequate care and benefits to war veterans, it is hereby declared the
3 policy of the State to provide the necessary funds to pay the arrears in the veterans and
4 military retirees' pensions and benefits and to ensure that all benefits and pensions will be
5 continuously enjoyed by them.

6 Section 2. *Coverage.* - This Act shall apply to the lease, development or use, as the
7 case may be, of the following properties of the government:

8 a. The former site of the Philippine Veterans Affairs Office (PVAO) at Arroceros
9 Street, Ermita, Manila;

10 b. The Veterans Memorial Medical Center in Quezon City;

11 c. The Veterans Center in Taguig, Metro Manila;

12 d. The properties given by the Japanese government to the Philippine government
13 under the Reparations Agreement, including the Roppongi and Nampeidai properties in
14 Tokyo and the Naniwa-cho and Obanoyam properties in Kobe; and

1 e. Other properties that may be identified by the Office of the President, as
2 recommended by the Secretary of National Defense.

3 SECTION 3. *Utilization of Proceeds for Veterans and Military Retirees' Pensions and*
4 *Benefits.* - All proceeds from the lease, development, use or sale of the aforesaid properties
5 shall be utilized to fund pensions and benefits of veterans and military retirees, whether in
6 arrears or due for payment by the national government; *provided that*, any shortfall in
7 payment of pensions and benefits to veterans and military retirees shall continue to be
8 assumed by the national government from other sources, and that this Act is not intended to
9 be in full satisfaction of said pensions and benefits: *provided, further*, that all proceeds and
10 receipts from the lease, development, use or sale of said properties except operational
11 expenses, shall be remitted directly to any government bank as the depository bank, and
12 managed by the Philippine Veterans Affairs Office for purposes of distribution of pensions
13 and benefits directly to war veterans and military retirees, and for no other purpose.

14 SECTION 4. *Implementing Agencies.* - For purposes of implementing the provisions
15 of this Act, the Privatization Council created under Executive Order 323 is hereby
16 empowered to direct, supervise and coordinate private sector participation in the lease,
17 development, use or sale of the above properties, in order to generate maximum cash
18 recovery for the benefit of war veterans and military retirees.

19 The Privatization and Management Office under the Department of Finance is hereby
20 authorized to implement the actual marketing for the lease, development, use or sale of the
21 above properties after securing the prior approval of the Council; to execute and deliver, on
22 behalf of the national government, the deeds, contracts and other instruments as may be
23 necessary or appropriate to effect the lease, development or use of said properties; to secure
24 possession of and conserve the same; to engage external expertise as may be necessary in the
25 fulfillment of its tasks; to submit periodic reports to the Privatization Council and to the

1 Philippine Veterans' Affairs Office on the status of private sector participation in the lease,
2 development or use of said properties; and to adopt such rules and regulations as may be
3 necessary to effect the provisions of this Act.

4 SECTION 5. *Implementing Rules.* - The Department of National Defense, through the
5 Philippine Veterans' Affairs Office, the Department of Finance, and the Privatization
6 Council shall promulgate the implementing rules and regulations for this Act within six
7 months after enactment hereof.

8 SECTION 6. *Separability Clause.* - If, for any reason, any portion or provision of this
9 Act shall be declared unconstitutional, other parts or provisions hereof which are not
10 affected thereby shall continue to be in full force and effect.

11 SECTION 7. *Repealing Clause.* - All other laws, decrees, executive orders, rules and
12 regulations and other issuance or portions thereof inconsistent with the provisions of this
13 Act are hereby repealed or modified accordingly.

14 SECTION 8. *Effectivity.* - This Act shall take effect fifteen (15) days following the
15 completion of its publication in two national newspapers of general circulation.

16
17 Approved,