	OFFICE OF THE SECRETARY
FOURTEENTH CONGRESS OF THE REPUBLIC OF THE PHILIPPINES Second Regular Session)	8 AUG 11 AN1:12
SEN. S. NO	2524 HECEIVED BY:
Introduced by Senator Anto	onio "Sonny" F. Trillanes IV

## **EXPLANATORY NOTE**

At least eight separate agencies today are working and operating for the welfare of veterans and military retirees. These include the Philippine Veterans Affairs Office (PVAO), the Philippine Veterans Assistance Commission (PVAC), the Board of Trustees of the Veterans of World War II (BTVWWII), the Philippine Veterans Investment and Development Corporation (PHIVIDEC), the PHIVIDEC Industrial Authority (PIA), the Philippine Veterans Bank, the Veterans Federation of the Philippines (VFP), and the AFP Retirement and Separation Benefits System (RSBS).

Despite the number of offices working for veterans' welfare, a lot still remains to be done to uplift the status of our veterans; majority of whom are now elderly, sick, underprivileged, disabled, and poor. There are still many reported cases of delayed pensions and double-listing, and some application for old-aged pension and other benefits are still left pending in the PVAO.

In the face of these realities, the need for systematic administration of veterans' benefits is clear. This bill, therefore, seeks to integrate the agencies working for veterans' welfare which have similar functions and mandate. It proposes to abolish the Philippine Veterans Affairs Office (PVAO), the Philippine Veterans Assistance Commission (PVAC), and the Board of Trustees of the Veterans of World War II (BTVWWII), thereby creating the Philippine Veterans Authority (PVA).

The Authority's main function shall be to harmonize all efforts in generating and maximizing financial sources and facilities that support all veterans welfare programs designed to alleviate the plights of our veterans.

The bill, likewise, provides for the creation of a Veterans Welfare Fund which shall guarantee the continuous payment of benefits and implementation of welfare programs and projects for veterans and their dependents, especially of continuing health and medical services program.

In view of the foregoing, the immediate approval of this measure is earnestly requested.

ΓΟΝΙΟ "SONN∜ " F. TRILLANES IV Senator

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## AN ACT

## INTEGRATING ALL AGENCIES AND OFFICES ON VETERANS WELFARE, CREATING FOR THE PURPOSE THE PHILIPPINE VETERANS AUTHORITY (PVA), APPROPRIATING FUNDS THEREFOR, 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 "Philippine Veterans
 Authority Act."

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SEC, 2. Declaration of Policy. - The government recognizes the invaluable contribution 4 of the veterans as noble defenders of the State. Without whom, the nation and its people will not 5 be able to enjoy the fruits of freedom and democracy today. Such recognition goes with the 6 7 government's responsibility to compliment the invaluable devotion, patriotism, sacrifices, and gallant deeds of veterans with the most responsive and continuing programs and projects for their 8 care, benefits, and welfare. The State also recognizes the veterans as equal partners in nation-9 10 building who possess potential capabilities for economic progress and not as mere recipients of government assistance. 11

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SEC. 3. Creation of the Philippines Veterans Authority. – There is hereby created a body to be known as the Philippine Veterans Authority, hereinafter referred to as the Authority which shall perform governmental and full propriety functions towards ensuring the provision of immediate and adequate care, benefits, and other forms of assistance to veterans and their dependents. The Authority shall be under the Office of the President and shall maintain its

1 conduct of its operations. 2 3 SEC. 4. Powers and Functions of the Authority. - The Authority shall have the 4 following powers and functions: 5 1) Initiate and formulate policies on recognition and welfare of Filipino veterans; 6 2) Formulate and implement a continuing, integrated, and comprehensive privileges and 7 benefits for veterans and their dependents that will restore the honor and dignity of 8 veterans here and abroad; 9 3) Discharge all responsibilities of government as may come from treaties, agreements, 10 11 and other commitments relative to veterans affairs; 4) Enter into contracts, either domestic or foreign, under such terms and condition that 12 are reasonable, just and advantageous to the Government in the pursuit of its 13 objectives and goals; 14 5) Receive and hold bequests, devises, gifts, purchases, or lease, either absolutely or in 15 trust for any of its purposes from foreign and domestic sources, any asset, grant or 16 17 property, real or personal, subject to such limitations as are provided in existing laws and regulations; 18 6) Convey such assets, grants or properties, invest and re-invest the same, as well as deal 19 with and expand its assets and income in such manner as will best promote its 20 objectives; 21 7) Call on other agencies and instrumentalities of the government and the private sector 22 for cooperation, support and assistance in the performance of its assigned tasks and 23 functions; 24 8) Pursue the satisfactory resolution of the World War II Filipino veterans' outstanding 25

principal office in Metro Manila and establish regional offices as may be necessary for th proper

issues with the U.S. Government; 26

- 9) Formulate and implement a continuing information dissemination program that will
   ensure that all veterans and their dependents are aware and knowledgeable of the
   ready program of privileges and benefits available to them;
- 4 10) Inculcate into minds of the people a strong sense of nationalism, unity, and love of
  5 country through a national consciousness program focusing on the virtues of veterans
  6 as true patriots who fought for their cherished freedom;
- 7 11)Adopt rules and regulations for the transaction of its business and enforcement of its
  8 policies, orders, and decisions;
- 9 12)Formulate and promulgate policies, rules, and regulations as may be found necessary
  10 to govern the adjudication of claims for veterans benefits;
- 13) Formulate policies, plans, programs, and projects for the administration of a
   hospitalization, medical care, and treatment program for the veterans and their
   dependents;
- 14 14) Coordinate with any department, bureau, office, agency, or instrumentality of the 15 government and private entities or organizations for the purpose of allowing the 16 veterans to avail themselves of opportunities, facilities, and assistance in pursuit of 17 their projects, business enterprises, and other economic activities in line with the 18 national development goals;
- 19 15) Administer and develop national shrines of military significance and cemeteries for
   veterans and, for that purpose, enter into agreements or coordinate with the
   Department of Tourism, Department of Public Works and Highways, and other
   departments, agencies, and instrumentalities of the government, for the inter departmental or inter-agency planning, funding, and execution of the development
   plans for said shrines and cemeteries; and
- 16) Perform such other functions which are not inconsistent with this Act as are necessary
   for the effective exercise of the aforementioned functions.

SEC. 5. The Administrator; Qualifications. – The Administrator shall manage the day to-day conduct of operations of the Authority. He shall be assisted by a Deputy Administrator.
 The Administrator and Deputy Administrator shall be appointed by the President and shall be
 entitled to the salary and emoluments of an Undersecretary and Bureau Director, respectively.

5 No person shall be appointed Administrator and Deputy Administrator of the Authority 6 unless they are veterans or military retirees known for their dedication and service, citizens and 7 residents of the Philippines, of good moral character and with proven competence in public 8 administration and management, and familiarity with veterans affairs.

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10 SEC. 6. Appointment of Officials/Employees of the Authority. – The Administrator 11 shall have the power to appoint all officers and employees of the Authority whose appointment 12 shall be based on merit and fitness and be shall be governed by the Civil Service Laws and other 13 related laws.

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15 SEC. 7. Abolition of Agencies and Offices on Veterans Welfare. – The existing 16 agencies administering benefits to veterans such as the Philippines Veterans Office (PVAO), the 17 Philippine Veterans Assistance Commission (PVAC), and the Board of Trustees of the Veterans 18 of World War II (BTVWWII) are hereby abolished. The powers, functions, all applicable funds 19 and appropriations, records, assets, and properties of the abolished agencies are hereby 20 transferred or absorbed by the Authority.

The Authority shall, by virtue of this Act, succeed to all rights and assume all contracts and liabilities of PVAO, PVAC, and BTVWWII which shall be acted upon in accordance with the Auditing Code and other pertinent laws, rules, and regulations.

Employees separated from the service as a result of the abolition of PVAO, PVAC, BTVWWII shall, within six (6) months from their separation from the service, receive the separation benefits to which they are entitled under existing laws and regulations: *Provided*, That

in hiring applicants to the newly-created agency, priority shall be given to existing employees to
be affected by the reorganization.

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4 SEC. 8. Creation of a Veterans Welfare Fund (VWF). – There is hereby created a 5 Veterans Welfare Fund (VWF) to guarantee the continuous payment of benefits and 6 implementation of welfare programs and projects for veterans and their dependents, especially 7 for continuing health and medical services program for veterans. The first of these programs 8 shall be the entitlement of veterans and their dependents to avail of the services and facilities of 9 any hospital and medical clinic, both government and private, expenses for which shall be cared 10 to the VWF in accordance with the guidelines set by the Authority.

11 The VWF shall be sourced from the remaining balances and accumulated earnings of the 12 Veterans Claim Settlement Fund, (VCSF) from the United States, Reparations Pay from Japan, 13 and the Sinking Fund for Backpays, which are hereby transferred to the Authority. It shall be 14 constituted further by income from the operations Veterans Memorial Medical Center (VMMC) 15 and donations from veterans organizations and foreign and domestic entities.

16 Twenty percent (20%) of the net profits of the Philippine Veterans Bank (PVB), after 17 deducting its guaranteed earnings of the preferred shares, shall be remitted directly to the 18 Authority and shall form part of the Veterans Welfare Fund.

Fifty percent (50%) of the cash dividends pertaining to the shares of the Government in the Philippine Veterans Investment Development Corporation (PHIVIDEC) shall be automatically applied to the payment of the subscription of the Government until fully paid for, and the balance over to the Authority and shall form part of the Veterans Welfare Fund (VWF).

All veterans funds being administered by the Philippine Veterans Bank (PVB) and other agencies and which are not encumbered or earmarked for any individual veteran or organization shall constitute the Veterans Welfare Fund (VWF) to be placed under the administration, management, and control of the Authority.

The Philippine Charity Sweepstakes Office (PCSO) is hereby authorized to hold annually 1 a sweepstakes draw exclusively for the benefit of the Authority. The whole proceeds of the 2 sweepstakes draw shall, after deducting the payment of the prizes and expenses as provided in 3 Section six of Republic Act No. 1169, as amended, be turned over to the Authority to form part 4 5 of the Veterans Welfare Fund (VWF). 6 SEC. 9. Organizational Structure of the Authority. - The Administrator of the Authority 7 is hereby authorized to formulate and adopt an organizational structure for the Authority, 8 including the creation of regional offices, whenever necessary, for the efficient and effective 9 discharge of its powers and functions. Essentially, the organizational structure of the Authority 10 shall complement the following components: 11 1. Veterans Health Service and Research Administration 12 2. Veterans Benefits Administration 13 3. National Memorial Affairs 14 4. Budgetary and Financial Management 15 5. Information Resources Management 16 6. Personnel Management and Labor Relations 17 7. Capital Facilities and Real Property Program 18 19 8. Planning, Studies, Evaluation There shall be separate bureaus created in the Authority for each of Veterans Health 20 Service and Research Administration, Veterans Benefits Administration, and National Memorial 21 Affairs. 22 The staffing pattern of the Authority shall be prescribed by the Administrator, in 23 accordance with rules and regulations prescribed by Civil Service Commission and the 24 Department of Budget and Management, within sixty (60) days after the approval of this Act. 25 Authorized positions created therein shall be filled by regular appointments by the President or 26 the Administrator as the case may be: Provided, however, That such individuals comply with the 27 6

qualifications standards set by the Civil Service Commission for the position that they shall be 1 2 appointed to.

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SEC. 10. Creation of Adjudication Body. - There is hereby created an Adjudication 4 Body to hear and decide cases in connection with veterans affairs. Such Adjudication Body shall 5 be composed of the Administrator as Chairman and four (4) associate members, two (2) of whom 6 shall be lawyers, and have extensive knowledge of veterans affairs. Such Adjudication Body 7 shall hear and determine any veterans claim or complaint filed in accordance with the procedure 8 to be formulated by the Body, subject to the approval of the President and Congress. 9

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SEC. 11. Disability Rating Board. - A Disability Rating Board of three members, 11 composed of a physician, a lawyer, and a layman who is well versed in veterans laws, rules and 12 regulations, under the direct supervision of the Administrator, is hereby created in the Authority. 13 This Board shall be a fullotime body and shall determine the extent of the disability of the person 14 applying for disability pension based on findings and recommendations of any authorized 15 Certificate of Disability Discharge Board (CDD) and all clinical records in accordance with the 16 Scheduled Rating Disabilities approved by the Administrator or such other schedule which may 17 subsequently be promulgated by him, except for conditions as hereunder provided. A majority 18 vote of the members of the Board shall be sufficient to sustain the rating of any individual case: 19 Provided, however, That in the case of officers and enlisted personnel of the Armed Forces of the 20 Philippines a certification by the Secretary of National Defense, upon recommendation of the 21 Chief of Staff, Armed Forces of the Philippines as to the military status and service connection 22 of the disability of the person applying for disability pension, shall be binding and conclusive 23 24 upon the Board.

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SEC. 12. The Veterans Memorial Medical Center (VMMC). - The Veterans Memorial Medical Center shall become a bureau under the control and supervision of the Administrator as 27

a medical facility for hospitalization, medical care, treatment, rehabilitation, research, and
medical education for the promotion of the health and welfare of veterans, their dependents, and
other persons authorize to receive medical attention.

4 The VMMC shall be headed by a Director and shall have a professional staff and 5 administrative staff.

6 The VMMC shall formulate and implement a continuing health and medical services 7 program for veterans and their dependents pursuant to Republic Act No. 6948 as amended by 8 Republic Act No. 7696 and in compliance with the particular objective and priority program 9 behind the creation of the Veterans Welfare Fund (VWF) as provided for in Section 10 of this 10 Act.

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SEC. 13. Administration and Development of National Shrines of Military 12 Significance and Veterans Mortuaries and Cemeteries. - The Authority shall be responsible for 13 the administration, maintenance, and development of Corregidor Island, Dambana ng Kagitingan 14 and Mt. Samat in Bataan, Bantayog ng Kiangan in Ifugao and such other historic battlefields of 15 military significance, military veterans cemeteries/mortuaries, memorials and other facilities as 16 may hereafter be determined and placed under its responsibility. For this purpose, the 17 Administrator shall organize the corresponding bureau under the Authority and may call on any 18 department, bureau, office, agency, or instrumentality of the government for such assistance as 19 may be necessary in the preparation and execution of plans or in the maintenance of the services 20 to be established and shall furthermore, take appropriate action for the conduct of studies and 21 preparation of a general program for the development of national parks embracing all the historic 22 areas of military significance, and recommend to the President a plan for appropriate memorials 23 or monuments whenever they are deemed desirable, taking into account the topography, 24 vegetation, degree of environmental disturbances, and historical background of the places 25 26 selected for the purpose.

SEC. 14. Office of Veterans Affairs in the U.S. - An Office of Veterans Affairs is
 established in the Philippine Embassy in the United States of America to pursue the claims of
 Filipino veterans of World War II for the full restoration of their rights, privileges, and benefits
 from the United States Government.

For the attainment of this goal, the Office of Veterans Affairs is mandated with the task
of making formal representations, consultations and negotiations with appropriate offices of the
United States of America Executive and Legislative branches.

8 The Office shall have a staff consisting of the Head of Office appointed by the President 9 of the Philippines, two administrative assistants assigned by the Administrator and such other 10 locally hired personnel as the Head of Office may find necessary.

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12 SEC. 15. Interagency Committees. – Upon the request of the Authority or any of its 13 Bureaus, all government agencies involved in the approval and implementation of projects of the 14 Authority or its duly authorized or endorsed entities, whether government or private, shall 15 expeditiously act upon and resolve the matter subject to the approval of the President. The 16 Administrator may, whenever necessary, initiate the activation of an *ad hoc interagency* 17 committee for an efficient and effective orchestration of efforts of concerned entities in the 18 implementation of programs, projects, and activities of the Authority.

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SEC. 16. *Transitory Provision*. – The officers and employees of the PVAO, PVAC, and BTVWWII shall continue in a holdover capacity until such time as the new officers and employees of the Authority shall have been duly appointed pursuant to the provisions of this Act.

SEC. 17. *Appropriations*. – To carry out the provisions of this Act, the appropriations for the current fiscal year as well as the existing funds, assets, and resources of the transferred and abolished offices mention un Section 9 hereof shall be transferred to the Authority to include the Veterans Welfare Fund (VWF) mentioned in Section 10 of this Act. Thereafter, such amounts as

- may be necessary to carry out the provisions of this Act shall be included in the Annual General
  Appropriations Act.
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SEC. 18. *Repealing Clause*. – All laws or parts thereof which are inconsistent with the
provisions of this Act are hereby repealed or modified accordingly.

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SEC. 19. Separability Clause. – If for any reason, any section or provision of this Act is
 declared unconstitutional or invalid, the other sections or provisions hereof which are not
 affected thereby shall continue in full force and effect.

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SEC. 20. *Effectivity Clause*. – This Act shall take effect fifteen (15) days after its
complete publication in two (2) newspapers of general circulation.

Approved,