

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

SENATE  
OFFICE OF THE SECRETARY

9 APR 20 P5:52

**S E N A T E**

RECEIVED BY: JH

**COMMITTEE REPORT NO. 302**

Submitted by the Committee on Finance on APR 20 2009  
Re: HB No. 5604 in consideration of SB Nos. 2457 and 2622  
Recommending its approval with amendments  
Sponsor: Senator Edgardo J. Angara

**MR. PRESIDENT:**

The Committee on Finance, to which was referred H. No. 5604 introduced by Representatives Defensor (A.), Nograles, Javier, et al entitled:

**“AN ACT  
APPROPRIATING THE SUM OF EIGHT BILLION PESOS (P8,000,000,000.00)  
AS SUPPLEMENTAL APPROPRIATION FOR THE IMPLEMENTATION OF  
RELIEF OPERATIONS, RECONSTRUCTION AND REHABILITATION OF THE  
PROVINCES OF ILOILO, AKLAN, CAPIZ, ANTIQUE AND ILOILO CITY, ALL  
IN THE ISLAND OF PANAY; BACOLOD CITY, AND THE PROVINCES OF  
NEGROS OCCIDENTAL AND GUIMARAS WHICH SUFFERED  
DEVASTATION BROUGHT ABOUT BY TYPHOON FRANK, AND FOR OTHER  
PURPOSES.”**

and taking into consideration Senate Bill No. 2457 introduced by Senator Juan Miguel F. Zubiri entitled:

**“AN ACT  
APPROPRIATING THE AMOUNT OF SIX BILLION PESOS  
(P6,000,000,000.00) FOR THE REHABILITATION OF THE PROVINCES OF  
AKLAN, ANTIQUE, CAPIZ AND ILOILO ALL IN PANAY ISLAND AND IN  
NORTHERN NEGROS OCCIDENTAL DUE TO THE DAMAGES CAUSED BY  
TYPHOON FRANK”**

and Senate Bill No. 2622, introduced by Senator Mar Roxas, entitled:

**“AN ACT  
APPROPRIATING THE SUM OF TWENTY BILLION PESOS  
(P20,000,000,000.00) AS SUPPLEMENTAL APPROPRIATION FOR THE  
IMPLEMENTATION OF RELIEF OPERATIONS, RECONSTRUCTION AND  
REHABILITATION OF THE PROVINCES OF ILOILO, AKLAN, CAPIZ,  
ANTIQUE, AND ILOILO CITY, PANAY ISLAND, BACOLOD CITY, AND  
PROVINCES OF NEGROS OCCIDENTAL AND GUIMARAS WHICH  
SUFFERED DEVASTATION BROUGHT ABOUT BY TYPHOON FRANK, AND  
FOR OTHER PURPOSES”**

has considered the same and has the honor to report them back to the Senate with the recommendation that HB No. 5604 be approved with amendments as follows:

1. On page 2, between lines 4 and 5, insert a new paragraph to read as follows:

**(a) THE FUND SHALL BE ALLOCATED AMONG THE DIFFERENT PROVINCES AND HIGHLY URBANIZED CITIES IN ACCORDANCE WITH THE EXTENT AND SCOPE OF DAMAGE AS DETERMINED BY THE COMMISSION CREATED UNDER SECTION 4 OF THIS ACT.**

2. On page 2, line 5, before the word "priority", change "(a)" to "(b)"
3. On page 2, line 9, before the word "aid", change "(b)" to "(c)"
4. On page 2, line 13, before the word "no", change "(c)" to "(d)"
5. On page 2, line 16, between the period (.) and the word "Use", insert the phrase **VALIDITY AND**
6. On page 2, line 25, between the words "fund" and "shall", delete the phrase "shall be used for the purposes indicated and"
7. On page 2, line 26, between the words "the" and "departments", delete the word "relevant" and in lieu thereof insert the word **IMPLEMENTING**
8. On page 2, line 27, between the words "related" and "laws", delete the word "relevant"
9. On page 2, after line 28, insert a new paragraph:

**THE PAGLAUM FUND SHALL BE VALID FOR A PERIOD OF FIVE (5) YEARS FROM THE EFFECTIVITY OF THIS ACT AND ANY UNOBLIGATED BALANCE OF THE FUND SHALL AUTOMATICALLY REVERT TO THE NATIONAL TREASURY.**

10. On page 3, line 5, between the words "the" and "of", delete the word "approval" and in lieu thereof insert the word **EFFECTIVITY**
11. On page 3, lines 5 and 6, before the word "Act" and the period (.) delete the phrase "and shall exist for a term of two (2) years after its organization"
12. On page 4, line 11, between the words "priorities" and "and", insert a comma (,) and the phrase **IDENTIFICATION OF PROJECTS**
13. On page 4, between lines 17 and 18, insert a new Section to read as follows and renumber the succeeding sections accordingly:

**SEC. 7. LOCAL GOVERNMENT UNITS' CALAMITY FUND. - NOTWITHSTANDING THE PROVISION OF SECTION 324 (D) OF RA NO. 7160, THE LOCAL GOVERNMENT CODE OF 1991, THE BUDGET OF LOCAL GOVERNMENT UNITS, COVERED UNDER THIS ACT, FOR UNFORESEEN EXPENDITURE ARISING FROM THE OCCURRENCE OF CALAMITIES SHALL BE INCREASED TO TEN PERCENT (10%) OF THE ESTIMATED REVENUE FROM REGULAR SOURCES. THE SAID RATE SHALL AUTOMATICALLY REVERT TO FIVE PERCENT (5%) AS PROVIDED UNDER RA NO. 7160 AFTER THE EXPIRATION OF THE TERM OF THE COMMISSION.**

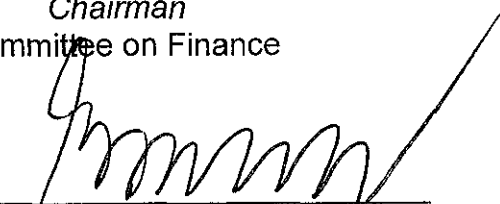
14. On page 4, line 25, between the words "exceeding" and "years", delete the word and figure "two (2)" and in lieu thereof insert the word and figure **FIVE (5)**
15. On page 5, lines 7 to 9, between the word "through" and the comma (,) delete the phrase "the chairman of the Committee on Appropriations, in the case of the House of Representatives, and the Committee on Finance, in the case of the Senate" and in lieu thereof, insert the phrase **THE JOINT CONGRESSIONAL OVERSIGHT COMMITTEE**
16. On page 5, between lines 18 and 19, insert a new Section to read as follows and renumber the succeeding sections accordingly:

**"SEC. 12. SUNSET PROVISION. – THE COMMISSION AND THE JOINT CONGRESSIONAL OVERSIGHT COMMITTEE PROVIDED IN SECTIONS 4 AND 8 HEREOF SHALL CEASE TO EXIST FIVE (5) YEARS AFTER THE EFFECTIVITY OF THIS ACT. THE FUNCTIONS, DUTIES AND RESPONSIBILITIES TOGETHER WITH ALL OF THE RECORDS, ASSETS AND OBLIGATIONS OF THE COMMISSION SHALL BE TRANSFERRED TO THE DEPARTMENTS, AGENCIES AND LOCAL GOVERNMENT UNITS (LGUS) CONCERNED, AND TO THE RELEVANT STANDING COMMITTEES OF THE SENATE AND THE HOUSE OF REPRESENTATIVES, IN CASE OF THE JOINT CONGRESSIONAL OVERSIGHT COMMITTEE."**

The funding source for this Supplemental Budget will come from the accompanying revenue measure under HB No. 5521 entitled: **"An Act Adopting the Simplified Net Income Taxation Scheme for Individuals Engaged in Trade/Business and/or Practice of Profession, Amending for the Purpose the National Internal Revenue Code of 1997, as Amended"**. The said bill has been approved by the House of Representatives and is now with the Senate for proper disposition.

**RESPECTFULLY SUBMITTED:**

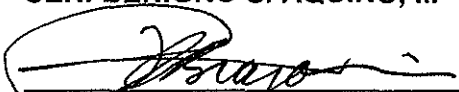
  
**EDGARDO J. ANGARA**  
*Chairman*  
Committee on Finance

  
**SEN. GREGORIO B. HONASAN, II**  
*Vice Chairperson*

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**SEN. JOKER P. ARROYO**  
*Vice Chairperson*

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President Pro-Tempore

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Majority Leader

*May amentigadorin*  
SEN. AQUILINO Q. PIMENTEL, JR.  
Minority Leader

HON. JUAN PONCE ENRILE  
President  
Senate of the Philippines  
Pasay City



## HOUSE OF REPRESENTATIVES

H. No. 5604

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BY REPRESENTATIVES DEFENSOR (A.), NOGRALES, JAVIER, BIRON, GARIN, MIRAFLORES, ALVAREZ (G.), ARROYO (D.), CASTRO, DEL ROSARIO, FERRER, GONZALEZ, LACSON, LEDESMA, MARAÑON, NAVA, PUENTEVELLA, SYJUCO, TUPAS AND ARROYO (I.), PER COMMITTEE REPORT NO. 1565

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AN ACT APPROPRIATING THE SUM OF EIGHT BILLION PESOS (P8,000,000,000.00) AS SUPPLEMENTAL APPROPRIATION FOR THE IMPLEMENTATION OF RELIEF OPERATIONS, RECONSTRUCTION AND REHABILITATION OF THE PROVINCES OF ILOILO, AKLAN, CAPIZ, ANTIQUE AND ILOILO CITY, ALL IN THE ISLAND OF PANAY; BACOLOD CITY, AND THE PROVINCES OF NEGROS OCCIDENTAL AND GUIMARAS WHICH SUFFERED DEVASTATION BROUGHT ABOUT BY TYPHOON FRANK, AND FOR OTHER PURPOSES

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

1           SECTION 1. *Appropriations.* – The sum of Eight billion pesos  
2 (P8,000,000,000.00) is appropriated for the implementation of relief  
3 operations, reconstruction and rehabilitation of the Provinces of Iloilo,  
4 Antique, Aklan, Capiz, Guimaras, Negros Occidental, Iloilo City and Bacolod  
5 City. The sum appropriated shall be called the “Paglaum Fund” or the “Fund”.

1           SEC. 2. *Guidelines in the Allocation of the Paglaum Fund.* – The  
2 Paglaum Fund herein appropriated shall be spent judiciously in consonance  
3 with the principle of providing the greatest good for the greatest number.  
4 The following guidelines shall be observed in allocating the Paglaum Fund:

5           (a) Priority shall be given to the construction, repair and/or  
6 reconstruction of roads and bridges, communication and power lines, hospitals,  
7 school buildings, water and irrigation systems and such other projects as  
8 drainage works, resettlement centers and homesites;

9           (b) Aid, relief, rehabilitation and livelihood shall be extended equitably  
10 to all victims, irrespective of political or party affiliations, gender, creed,  
11 religious belief, or ethnic origin, giving emphasis to livelihood and  
12 employment opportunities; and

13           (c) No money shall be released without any identified program or  
14 project nor shall any sum from the Paglaum Fund be used to pay obligations  
15 incurred before the approval of this Act.

16           SEC. 3. *Use of the Paglaum Fund.* – The Paglaum Fund shall be used  
17 to cover the repair, rehabilitation and construction of roads, bridges, irrigation  
18 systems, school buildings, government buildings, sea ports and airports,  
19 hospitals and other public infrastructures; purchases of hospital equipment,  
20 supplies and medicines; purchases of relocation sites; construction of housing  
21 units; and funding for the Comprehensive Integrated Delivery of Social  
22 Services (CIDSS) under the Department of Social Welfare and Development,  
23 livelihood programs, agricultural assistance and other support programs for  
24 farmers and fisherfolk.

25           The Paglaum Fund shall be used for the purposes indicated and shall be  
26 released to the relevant departments, bureaus, offices, agencies and local  
27 government units (LGUs) in accordance with budgeting and related relevant  
28 laws, rules and regulations.

1           SEC. 4. *Creation of the Western Visayas (Region VI) Rehabilitation*  
2 *and Development Commission.* – For purposes of this Act, the Western  
3 Visayas (Region VI) Rehabilitation and Development Commission, hereinafter  
4 referred to as the Commission, is hereby created. The Commission shall be  
5 organized within thirty (30) days after the approval of this Act and shall exist  
6 for a term of two (2) years after its organization. Such amount as may be  
7 necessary for the organization and operations of the Commission shall be set  
8 aside from the amount herein appropriated.

9           SEC. 5. *Composition of the Commission.* – The Commission shall be  
10 composed of the following:

11           Chairman:

12           (a) The Chairman of the National Disaster Coordinating Council  
13 (NDCC).

14           Members:

15           (a) The Chairman of the Regional Development Council of Region VI;

16           (b) The Cabinet Officer for Regional Development;

17           (c) The Secretary of Agriculture;

18           (d) The Secretary of Budget and Management;

19           (e) The Secretary of Social Welfare and Development;

20           (f) The Secretary of Education;

21           (g) The Secretary of Health;

22           (h) The Secretary of Public Works and Highways;

23           (i) The Administrator of the National Electrification Administration;

24           (j) The General Manager of the National Housing Authority; and

25           (k) The Presidential Assistant for Western Visayas.

1           SEC. 6. *Powers and Functions of the Commission.* – The Commission  
2 shall have the following powers:

3           (a) Formulate policies and plans for relief operations, reconstruction,  
4 rehabilitation, and construction of public infrastructures, livelihood and other  
5 social support services in harmony with plans and policies of the national  
6 government;

7           (b) Prioritize and coordinate the implementation of the various  
8 programs and projects of the Commission;

9           (c) Coordinate and consult with concerned national and local officials  
10 as well as accredited nongovernment organizations (NGOs) in the  
11 determination of priorities and the implementation of the programs and  
12 projects of the Commission;

13           (d) Call upon any department, office, instrumentality, agency or  
14 political subdivision of the government for such assistance as may be needed;  
15 and

16           (e) Perform such powers and functions as may be necessary and proper  
17 to carry out the purpose of this Act.

18           SEC. 7. *Secretariat of the Commission.* – The regional development  
19 council of Region VI shall serve as the secretariat of the Commission and shall  
20 assist the Commission in carrying out its functions. For purposes of this Act,  
21 the Presidential Assistant for Western Visayas shall be the Executive Director  
22 of the secretariat.

23           SEC. 8. *Joint Congressional Oversight Committee.* – There is hereby  
24 created a Joint Congressional Oversight Committee to monitor the  
25 implementation of this Act for a period not exceeding two (2) years from the  
26 actual release of the Fund. The Committee shall be composed of five (5)  
27 senators and five (5) representatives to be appointed by the Senate President  
28 and the Speaker of the House of Representatives. The Committee shall be



1 co-chaired by a senator and a representative designated by the Senate President  
2 and the Speaker of the House of Representatives, respectively.

3 SEC. 9. *Rules and Regulations.* – The Department of Budget and  
4 Management shall issue the necessary implementing rules and regulations to  
5 effectively carry out the provisions of this Act.

6 SEC. 10. *Submission of Report to Congress.* – The Commission shall  
7 submit to the President and to Congress, through the Chairman of the  
8 Committee on Appropriations, in the case of the House of Representatives, and  
9 the Committee on Finance, in the case of the Senate, a detailed quarterly report  
10 on the funds allocated indicating the amount released, obligated and disbursed  
11 for:

12 (a) Aid, relief, reconstruction, rehabilitation, social support and  
13 livelihood services, including the list of names of approved individual  
14 beneficiaries, contractors and other service providers, and the evaluation of the  
15 effectiveness of the delivery systems of such services; and

16 (b) Construction, repair and/or reconstruction of infrastructure projects,  
17 including the list of contractors and projects being financed, and the  
18 accomplishments thereof.

19 SEC. 11. *Repealing Clause.* – All laws, presidential decrees and  
20 issuances, executive orders, rules and regulations or parts thereof inconsistent  
21 with the provisions of this Act are hereby repealed or modified accordingly.

22 SEC. 12. *Effectivity.* – This Act shall take effect fifteen (15) days after  
23 its publication in two (2) national newspapers of general circulation.

Approved,