


9 JUN -3 P9:53

SENATE

RECEIVED BY: 

S. B. No. 3310

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INTRODUCED BY SENATOR ALAN PETER "COMPAÑERO" S. CAYETANO

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EXPLANATORY NOTE

Children are blessings from God. The primary duty to care for the child belongs to his or her parents. In fact most parents would do anything for their children. Regardless of their financial status in life, parents will sacrifice much for the future of their children.

The State support for this noble endeavor, of parents caring for their children, is enunciated in the constitutional declaration – "The natural and primary right and duty of parents in the rearing of the youth for civic efficiency and the development of moral character shall receive the support of the Government" (Article II, Section 12 Philippine Constitution).

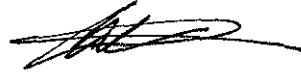
What happens when a child is orphaned? Orphaned children who lose their parents to death, or were abandoned are humanly alone in this world. Who or what organization will step in to provide and care for the child? While some are blessed by being adopted, many are left in orphanages. Orphanages usually don't have enough funds to fully care for the child. Many times there is a scarcity of resources for the basic needs of health and education.

The State cannot just standby and watch while orphans are suffering and just barely surviving. The State should stand in as a parent. As in the *parens patriae* doctrine, that the government is the ultimate guardian of all people. Indeed, while the doctrine finds application to all citizens, more so to children, mentally impaired persons, and other differently-abled individuals who are legally incompetent to manage their affairs, there is a special call for its application to orphaned children who have no hand to hold but that of the State's. Let us help them have confidence that although bereft of parents, they have a country, their Motherland that understands their needs and will help them become the best persons they could possibly be.

This proposed bill underscores the fact that while our orphanages and child-caring institutions need resources to accomplish their task. Addressing the orphans needs should be a priority of the state. Let us be reminded that these children's needs are no different from any other child of their age.

This measure seeks to provide for a trust fund account for each orphaned minor under DSWD-accredited orphanages and care centers which the State has to fund by quarterly depositing a specified amount for each of the trust fund account. The trust fund account matures when the orphaned minor reaches the age of majority, and thus

providing him or her seed money to start the life outside the confines of the orphanages and care centers.



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AN ACT  
PROVIDING FOR A SOCIAL JUSTICE AND WELFARE PROGRAM TO SUPPORT  
AND CARE FOR ORPHANS BY CREATING A SPECIAL TRUST FUND, 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 "*Orphaned Minor's Trust  
Fund Act of 2009.*"

**Section 2. Declaration of Policy.**- In line with the State policy recognizing the  
vital role of the youth in nation-building and the State's duty to promote and protect their  
physical, moral, spiritual, intellectual, and social well-being, it is hereby declared a policy  
of the State to support and care for orphaned minors.

**Section 3. Definition of Terms.**- For purposes of this Act, the following terms  
are defined:

- a.) "**Commercial Bank**" refers to a reputable private financial institution with a  
proven track record in the banking industry owned by a group of individuals  
which accepts deposits, makes business loans, and offers related services;
- b.) "**Orphaned Minor**" refers to a child below the age of 18, who has become an  
orphan by the death or disappearance of, or abandonment by, both parents. The  
abandonment, disappearance should be for at least six continuous months;
- c.) "**Orphanage**" refers to any DSWD-accredited orphanage catering to the needs  
of orphans or abandoned minors;
- d.) "**Orphaned Minor's Trust Fund**" refers to a special fund set aside for the  
orphaned minors under the care of the DSWD or any DSWD-accredited

orphanage. The said fund shall operate as a special trust fund managed by a reputable commercial bank;

- e.) **“Child-Caring Institution”** refers to any twenty-four-hour resident group care service for the physical, mental, social and spiritual well-being of nine or more mentally gifted, dependent, abandoned, neglected, handicapped or disturbed children that is coordinated with the Department of Social Welfare and Development (DSWD);
- f.) **“Guardian”** refers to the owner of the orphanage and/or any elder in the orphanage tasked to keep an eye on the orphaned minor;

**Section 4. Coverage.-** This Act shall cover all orphaned minors, under the care of the DSWD, public orphanages, DSWD-accredited private orphanages and other child-caring institutions that may be recognized by the DSWD in accordance with the implementing rules and regulations of this Act.

**Section 5.- National Monitoring System for Orphaned Minors.-** The DSWD, in coordination with other government agencies tasked with caring for the welfare and development of children and the youth, shall come up with a comprehensive monitoring system to address the needs of orphaned minors. This system shall include, but not be limited to, coming up with an updated data on the number, location and personal profile of orphaned minors; profiling of orphanages and child-caring institutions nationwide; and establishing a transparent mechanism that would provide a grant of a reasonable lump sum grant to orphaned minors who already turned 18 years old and are ready to lead a life on their own.

**Section 6.- Orphaned Minor’s Trust Fund.-** A trust fund account in a commercial bank or in a number of commercial banks as defined in this Act, shall be opened in the name of every covered orphaned minor under a memorandum of agreement (MOA) to be entered into by a commercial bank and the DSWD. The DSWD, sourcing it from a regular annual appropriation item in its budget, shall deposit the sum of FIVE THOUSAND PESOS (PhP5000) quarterly in every trust fund account until the account matures, unless terminated earlier by the DSWD due to the death or ineligibility of the recipient.

Each of the trust fund account shall be opened by the DSWD based on a verified list of orphans submitted by their respective orphanages and child-caring institutions. To maintain the real purchasing value of the said amount through the years, it shall be increased by the DSWD every three (3) years in proportion to the average inflation rate

for the said period as certified by the National Economic Development Authority (NEDA).

Each covered orphan shall be entitled to the said quarterly deposit in his/her trust fund for the entire duration that he/she was in an orphanage or child-caring institution until he/she reaches the age of 18. In the event that the orphaned minor has been rendered ineligible to receive the said fund, or dies prior to reaching the age of majority, the trust fund for such minor shall be forfeited in favor of State.

**Section 7. Budgetary Requirements.**- The DSWD shall incorporate the budgetary requirements of this Act in their annual budget proposal.

**Section 8. Implementing Rules and Regulations.** – The DSWD, in consultation with the Department of Interior and Local Government (DILG), the National Economic and Development Authority, non-governmental organizations (NGO's) and other agencies they deem necessary to consult, shall issue the Implementing Rules and Regulations (IRR) within ninety (90) days after the approval of this Act.

**Section 9. Separability Clause.** – If any provision of this Act is declared unconstitutional, the same shall not affect the validity and effectivity of the other provisions hereof.

**Section 10. Repealing Clause.**- All laws, decrees, orders, issuances or portions thereof, which are inconsistent with the provisions of this Act are hereby repealed or modified accordingly.

**Section 11. Effectivity** – This Act shall take effect fifteen (15) days after its publication in two (2) national newspapers of general circulation.

Approved,