

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

7 JUN 30 12:39

SENATE

S. No. 35

RECEIVED BY: 

Introduced by Senator Biazon

Explanatory Note

The Constitution provides under Section 7, Art. XVI, that:

"The State shall immediate and adequate care, benefits, and other forms of assistance to war veterans and veterans of military campaigns, their surviving spouses and orphans. x x x"

But despite said mandate, the government has miserably failed to provide the veterans and military retirees with adequate compensation and assistance.

The veterans risked their lives defending our country during World War II. Military retirees on the other hand struggled to uphold democracy by battling the enemies of the State. Their commitment to the nation is a value that the State must recognize and cherish, yet it is unconscionable that the State regularly fails to recognize these sacrifices by the simple gesture of ensuring adequate care, assistance and benefits.

The national government over the past 15 years owes war veterans and military retirees around P42 Billion in pension and other benefits. The Philippine Veterans Affairs Office (PVAO) under the Department of National Defense reported that for the year 2005 alone, there is about four to five billion peso inadequacy in its appropriations.

The act of appropriating funds through the national budget for this purpose is obviously insufficient. The funding requirements for the veterans and military retirees will continuously grow over the years. As such, it is necessary to find creative ways to utilize government assets to address these needs.

This bill, through the utilization of proceeds coming from the development, lease or use of certain government properties, would enable the government to respond to its obligation to veterans and military retirees without putting additional pressure to the chronic budgetary deficit.

In view thereof, passage of this bill is earnestly sought.



RODOLFO G. BIAZON
Senator

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AN ACT
MANDATING THE USE OF THE PROCEEDS FROM THE DEVELOPMENT,
LEASE OR USE OF CERTAIN GOVERNMENT PROPERTIES FOR PAYMENT
OF PENSIONS AND OTHER BENEFITS OF THE VETERANS AND FOR
OTHER PURPOSES.

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

Section One. Coverage. – This Act shall apply to the lease, development
or use, as the case may be, of the following government properties:

- a. The former site of the Philippine Veterans Affairs Office (PVAO) at
Arroceros St, Ermita, Manila;
- b. The Veterans Memorial Medical Center in Quezon City; and
- c. The Taguig Industrial Estate.

Sec. 2. *Utilization of Proceeds for Veterans and Military Retirees' Pension
and Benefits.* – All proceeds from the lease, development or use of the aforesaid
properties shall be utilized to fund the pension and benefits of veterans and
military retirees, whether in arrears or due for payment by the national
government; Provided, that any shortfall in the payment of said pension and
benefit shall continue to be assumed by the national government from other
sources; Provided further, that all proceeds and receipts under this Act, excluding
operational expenses, shall be remitted directly to the Philippine Veterans Bank
as the depository bank and managed by the PVAO as administrator.

Sec. 3. *Duties of the PVAO.* – The PVAO Administrator is hereby
authorized to direct, supervise and coordinate private sector participation in the
lease, development or use of the aforesaid properties; to secure possession of

and the preservation of the same; to engage external expertise as may be necessary; and, to submit periodic reports thereon to the Department of National Defense (DND).

Sec. 4. *Rules and Regulations.* - The Secretary of National Defense, the Secretary of Budget and Management and the Secretary of Finance shall formulate the rules and regulations necessary to implement the provisions of this Act.

Sec. 5. *Separability Clause.* - If for any reason, any section or provision of this Act is declared invalid or unconstitutional, the other sections or provisions hereof, unaffected thereby, shall continue to be in full force and effect.

Sec. 6. *Repealing Clause.* - All laws, executive issuances or parts thereof inconsistent with this Act are hereby repealed or amended accordingly.

Sec. 7. *Effectivity.* - This Act shall take effect fifteen (15) days after its complete publication in the Official Gazette or in at least two (2) newspaper of general circulation.

Approved,