


THIRTEENTH CONGRESS OF THE REPUBLIC  
OF THE PHILIPPINES  
Third Regular Session

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RECEIVED BY: 

S E N A T E

S. No. 2483

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Introduced by Senator S. R. Osmeña III

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#### EXPLANATORY NOTE

Our veterans fought with gallantry and courage under the most difficult conditions during World War II. They fought valiantly and bravely to preserve our independence from intrusions by enemies of the state. It has been more than half a decade since they have made crucial sacrifices for this nation, yet the State continues to fall short in recognizing those sacrifices.

The Constitution provides under Section 7, Article XVI that

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


Despite the above provision, military veterans and retirees have not received adequate compensation for the service they gave for the country.

As of last year, the total unpaid obligations to war veterans and military retirees stood at P42 billion. Appropriations for this sector from the national budget has been insufficient. As funding requirements for them is projected to continuously grow over the years, it is imperative that the State find ways to meet these growing requirements.

This bill seeks 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. 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 Nampeidai 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 their contribution and thereby, restore honor and dignity to our proud veterans.


In view of the foregoing, approval of this bill is earnestly sought.



**SÉRGIO OSMEÑA III**  
Senator

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6 OCT -9 5:15

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**AN ACT**  
**MANDATING THE USE OF THE PROCEEDS FROM THE DEVELOPMENT, LEASE**  
**OR USE OF GOVERNMENT PROPERTIES FOR VETERANS' PENSIONS AND**  
**BENEFITS**

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

1       SECTION 1. *Declaration of Policy.* – Consistent with the constitutional mandate  
2       to provide immediate and adequate care and benefits to war veterans, it is hereby  
3       declared the policy of the State to provide the necessary funds to pay the arrears in  
4       the veterans and military retirees' pensions and benefits.

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

- 7       (a) the former site of the Philippine Veterans Affairs Office (PVAO) at  
8       Arroceros Street, Ermita, Manila;
- 9       (b) the Veterans Memorial Medical Center in Quezon City;
- 10      (c) the Veterans Center in Taguig, Metro Manila;
- 11      (d) the properties given by the Japanese government to the Philippine  
12      government under the Reparations Agreement, including the Roppongi  
13      and Nampeidai properties in Tokyo and the Naniwa-cho and Obanoyam  
14      properties in Kobe; and
- 15      (e) other properties that may be identified by the Office of the President.

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

13           SEC. 4. *Privatization Council and Privatization Management Office as*  
14   *Implementing Agencies.* – For purposes of implementing the provisions of this Act, the  
15   Privatization Council (PC) is hereby empowered to direct, supervise and coordinate  
16   private sector participation in the lease, development or other use of the above  
17   properties, in order to generate maximum cash recovery for the benefit of war  
18   veterans and military retirees.

19           The Privatization and Management Office (PMO) is hereby authorized to  
20   implement the actual marketing for the lease, development or use of the above  
21   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  
23   be necessary or appropriate to effect the lease, development or use of said properties;  
24   to secure possession of and conserve the same; to engage external expertise as may  
25   be necessary in the fulfillment of its tasks; to submit periodic reports to the Council  
26   and to the PVAO on the status of private sector participation in the lease,  
27   development or use of said properties; and to adopt such rules and regulations as  
28   may be necessary to effect the provisions of this Act.

1           SEC. 5. *Implementing Rules.* – The Department of National Defense, through  
2 the PVAO, the Department of Finance through the PMO, in coordination with the  
3 Committees of National Defense and Veterans Affairs of the Senate and the House of  
4 Representatives, respectively, shall promulgate the implementing rules and  
5 regulations for this Act within six months after enactment hereof.

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

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

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

14           Approved,