

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

OFFICE OF THE SECRETARY

10 JUL -6 18:54

SENATE

S. NO. 205

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Introduced by Senator Antonio "Sonny" F. Trillanes IV

Explanatory Note

The arrearages payable to the Filipino veterans continue to escalate perennially. From 1994 to 1998, the government owed the veterans a total amount of P10.9 billion in arrears. By the end of 2006, the Philippine Veterans Affairs Office (PVAO) has reported that the total estimated arrearages has already accumulated to P21 billion. This amount does not include the arrears in old-age pensions, death pensions and educational benefits amounting to P5.4 billion which the national government has been paying since 2006 until 2008.

In 1994, Republic Act No. 7696 entitled, "*An Act Amending Certain Sections of Republic Act No. 6948 Otherwise Known As 'An Act Standardizing and Upgrading The Benefits For Military Veterans And Their Dependents'*," was enacted to provide comprehensive benefits to war veterans, military retirees and their surviving spouses and dependents. Through the years, however, the national government was not able to fulfill its commitment to pay such benefits due to inadequate budgetary appropriations. Therefore, a plan must be put in place on how to settle these obligations.

This bill seeks to utilize the proceeds from the development, lease, or other use of government properties for the payment of these arrearages. In the process, the national government will accomplish its constitutional mandate of providing assistance to said beneficiaries without affecting the national budget.

In light of the foregoing, an urgent passage of this bill is earnestly requested.


ANTONIO "SONNY" F. TRILLANES IV
Senator

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SENATE

S. NO. 205

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AN ACT

PROVIDING FOR THE PAYMENT OF ARREARS IN THE VETERANS' PENSIONS AND BENEFITS MANDATED PURSUANT TO REPUBLIC ACT NO. 7696, AS AMENDED, OTHERWISE KNOWN AS AN ACT STANDARDIZING AND UPGRADING THE BENEFITS FOR MILITARY VETERANS AND THEIR DEPENDENTS AND APPROPRIATING FUNDS THEREFOR

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

1 **SECTION 1. Declaration of Policy.** It is hereby declared the policy of the State to
2 provide immediate and adequate care and benefits to war veterans by allotting the necessary
3 funds to pay for the arrears in the payment of pensions and other benefits of the veterans and
4 military retirees or their dependents.

5
6 **SEC. 2. Coverage.** This Act shall apply to the sale, lease, development or use of the
7 following properties of the government:

- 8 a. Former site of the Philippine Veterans Affairs Office (PVAO) at Arroceros Street,
9 Ermita, Manila;
- 10 b. Veterans Memorial Medical Center in Quezon City;
- 11 c. Taguig Industrial Estates;
- 12 d. Properties given by the Japanese government to the Philippines government under
13 the Reparations Agreement, including the Roponggi, Nampeidai and Fujimi properties in Tokyo,
14 and the Noniwacho and Obanoyama in Kobe; and

1 e. Other properties that may be identified by the Office of the President.

2
3 **SEC. 3. *Privatization and Management Office.*** The Privatization and Management
4 Office (PMO) of the Department of Finance is hereby authorized to implement the actual
5 marketing for the sale, lease, development or use of the above properties and to perform the
6 following:

7 a. Execute and deliver, on behalf of the national government, the deeds, contracts and
8 other instruments as may be necessary or appropriate to effect the lease, development or use of
9 said properties;

10 b. Engage external expertise as may be necessary in the fulfillment of its tasks;

11 c. Submit periodic reports to the PVAO on the status of private sector participation in
12 the lease, development or use of said properties; and]

13 d. Adopt such rules and regulations as may be necessary to effect the provisions of this
14 Act.

15
16 **SEC. 4. *Funding Source.*** All proceeds from the sale, lease, development or use of the
17 properties mentioned in Section 2 hereof shall be utilized to fund the pension and benefits of
18 veterans and military retirees, whether in arrears or due for payment by the national government:
19 *Provided,* That any shortfall in payment of pensions and benefits to veterans and military retirees
20 shall be settled by the national government from other sources.

21 All proceeds and receipts from the lease, development or use of said properties except
22 operational expenses shall be remitted directly to any government bank as the depository bank
23 and managed by the Philippine Veterans Affairs Office for purposes of Automatic distribution of
24 pensions and benefits directly to war veterans and military retirees.

1 **SEC. 5. *Implementing Rules and Regulations.*** The Secretary of National Defense shall,
2 in coordination with the Secretary of Finance, issue the necessary rules and regulations for the
3 effective implementation of this Act within six (6) months after its effectivity.

4

5 **SEC. 6. *Repealing Clause.*** All laws, decrees, executive orders, issuances, rules and
6 regulations, or parts thereof inconsistent with the provisions of this Act are hereby repealed or
7 modified accordingly.

8

9 **SEC. 7. *Effectivity Clause.*** This Act shall take effect fifteen (15) days after its complete
10 publication in at least two (2) newspapers of general circulation.

Approved,