



## HOUSE OF REPRESENTATIVES

H. No. 6410

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BY REPRESENTATIVES BIAZON, GARCIA (A.), SARMIENTO (M.), RODRIGUEZ (R.), RODRIGUEZ (M.), GONZALES (N.), LAGMAN, ORTEGA (F.), BATAOIL, CALIXTO-RUBIANO, TEODORO, LOONG, ZUBIRI, ALBANO, QUISUMBING, SAHIDULLA, PADILLA, RIVERA, YAP (S.), OBILLO, AGGABAO, MANDANAS, GULLAS, MAGSAYSAY (M.), SUAREZ, TIANGCO, CAGAS, GUNIGUNDO, ARNAIZ, GONZALEZ, GOLEZ (A.), HERRERA-DY AND CERAFICA, PER COMMITTEE REPORT NO. 2277

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AN ACT AMENDING REPUBLIC ACT NO. 7898, OTHERWISE KNOWN AS THE "AFP MODERNIZATION ACT", AND FOR OTHER PURPOSES

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

1           SECTION 1. Section 4(b), (d) and (e) of Republic Act No. 7898,  
2 otherwise known as the "AFP Modernization Act", is hereby amended to read  
3 as follows:

4                   "SEC. 4. *Components of the REVISED AFP*  
5                   *Modernization Program. – The REVISED AFP*  
6                   [m]Modernization [p]Program shall consist of the following  
7 components:

8                   "(a) x x x

1                   “(b) Capability materi[a]El, and technology development  
2                   - The AFP [m]Modernization [p]Program entails the  
3                   development and employment of certain capabilities that can  
4                   address the assessed threats: *Provided*, That the acquisition of  
5                   air force, navy and army equipment and materi[a]El of such  
6                   types and quantities shall be made in accordance with the need to  
7                   develop AFP capabilities pursuant to its modernization  
8                   objectives: *Provided, further*, That the acquisition of new  
9                   equipment and weapons systems shall be synchronized with the  
10                  phase-out of uneconomical and obsolete major equipment and  
11                  weapons systems in the AFP inventory: *Provided, even further*,  
12                  That no major equipment and weapons system shall be  
13                  purchased if the same are not being used by the armed forces in  
14                  the country of origin or used by the armed forces of at least two  
15                  countries: *Provided, furthermore*, That only offers from  
16                  suppliers who are themselves the manufacturers shall be  
17                  entertained: *Provided, finally*, That no supply contract shall be  
18                  entered into unless such contract provides for, in clear and  
19                  unambiguous terms, an after-sales services and the availability of  
20                  spare parts.

21                   “(c) x x x

22                   “(d) Human resource development - The human  
23                  resource development component of the **REVISED** AFP  
24                  [m]Modernization [p]Program shall have the following  
25                  objectives:

26                   “(1) x x x

1           “(2) To develop and transform the AFP into a  
2           [primarily external security-oriented force] **MULTI-MISSION**  
3           **ORIENTED FORCE CAPABLE OF EFFECTIVELY ADDRESSING**  
4           **INTERNAL AND EXTERNAL SECURITY THREATS;**

5           “(3) x x x

6           “(4) x x x

7           “(5) x x x

8           “(6) x x x

9           “(c) Doctrines development - [The transition of the AFP  
10          from an internal security-oriented force to an external  
11          security-oriented force requires the review, evaluation and  
12          validation of its present set of doctrines for the purpose of  
13          formalizing such doctrines. Towards this end, t]The Department  
14          of National Defense and the [general headquarters,] AFP shall  
15          be responsible for the generation, evaluation, consolidation and  
16          formalization of doctrines; the conduct of periodic review and  
17          validation of doctrines through field application, testing and  
18          exercises; and the dissemination of approved doctrines at all  
19          levels of command.

20          “The Secretary of National Defense shall formulate  
21          guidelines to implement this section in accordance with the  
22          objectives of the modernization program enumerated in the  
23          preceding section.”

24          SEC. 2. Section 6 of the same Act is hereby amended to read as  
25          follows:

26                 “SEC. 6. *Period of Implementation.* - The **REVISED**  
27          **AFP [m]Modernization [p]Program** under this Act shall be

1 implemented over a period of fifteen (15) years **EFFECTIVE**  
2 **UPON THE DATE OF THE APPROVAL OF THIS ACT:** *Provided,*  
3 *however,* That payments for amortization of outstanding  
4 multi-year contract obligations incurred under [this] **THE**  
5 **REVISED AFP MODERNIZATION** Act may extend beyond this  
6 period.”

7 **SEC. 3.** Section 7 of the same Act is hereby amended to read as  
8 follows:

9 “**SEC. 7. Submission of the REVISED AFP Modernization**  
10 *Program.* – (a) Within [ninety (90)] **SIXTY (60)** days from the  
11 effectivity of this Act, the President, upon the recommendation  
12 of the Secretaries of National Defense and Budget and  
13 Management, shall submit the **REVISED AFP [m]Modernization**  
14 **[p]Program** as provided for in this Act to Congress. [for its  
15 consideration and approval in a joint resolution of the House of  
16 Representatives and the Senate.] The **[p]Program** shall indicate  
17 or show *inter alia*:

18 “(1) The size and shape of the AFP in terms of  
19 personnel, equipment, and facilities during the various phases of  
20 the modernization program;

21 “(2) The modernization projects under it, including the  
22 major weapon and non-weapon equipment and technology  
23 acquisitions sought by the respective services and units of the  
24 AFP, any major infrastructure construction or improvement to be  
25 made and the particular objective(s) and component(s) under  
26 Sections 3 and 4, respectively, of this Act to which such intended  
27 acquisition, construction or improvements belongs; and

1           “(3) The priorities, schedules as well as estimated  
2 average cost of each modernization project or upgrading to be  
3 undertaken[.]: *PROVIDED, THAT THE IMPLEMENTATION OF*  
4 *THE PROGRAM SHALL BE DEVOTED TOWARDS THE*  
5 *DEVELOPMENT OF THE AFP WITH THE SHIFTING CAPABILITY*  
6 *TO MEET INTERNAL AND EXTERNAL SECURITY THREATS.*

7           “(b) [In the event Congress approves t]The **REVISED**  
8 AFP [m]Modernization [p]Program, AS SUBMITTED TO  
9 CONGRESS [the joint resolution] shall be the basis for  
10 subsequent executive and legislative actions to implement the  
11 **REVISED AFP [m]Modernization [p]Program** from year to year  
12 until its complete and full realization.”

13           SEC. 4. Section 8 of the same Act is hereby amended to read as  
14 follows:

15           “SEC. 8. *Appropriations for the REVISED AFP*  
16 *Modernization Program.* – The annual appropriations for the  
17 **REVISED AFP [m]Modernization [p]Program** shall include the  
18 amounts necessary to support the funding requirements for all  
19 modernization projects approved by Congress under the  
20 preceding section.

21           “The funds to be appropriated by Congress under this Act  
22 shall be treated as a distinct and separate budget item from the  
23 regular appropriation for the Department of National Defense  
24 (DND) and the AFP and shall be administered by the Secretary  
25 of National Defense.

26           [The proposed program shall be based on a ceiling, for  
27 the first five (5) years, of Fifty billion pesos

1 (P50,000,000,000.00): *Provided*, That thereafter, this amount  
2 may be increased commensurate to the increase in the Gross  
3 National Product (GNP).]

4 "THE REVISED AFP MODERNIZATION PROGRAM  
5 SHALL BE BASED ON AN AMOUNT OF SEVENTY-FIVE BILLION  
6 PESOS (P75,000,000,000.00) FOR THE FIRST FIVE (5) YEARS:  
7 *PROVIDED*, THAT THE RELEASE OF THE AMOUNT SHALL BE  
8 SUBJECT TO THE CAPACITY OF THE DND TO UTILIZE AND  
9 IMPLEMENT THE REVISED AFP MODERNIZATION PROGRAM  
10 IN ACCORDANCE WITH THE DEFENSE SYSTEM OF  
11 MANAGEMENT."

12 SEC. 5. Section 9(b) and (c) of the same Act are hereby amended to  
13 read as follows:

14 "SEC. 9. *Multi-year Contracts and Other Contractual*  
15 *Arrangements.* - (a) x x x

16 "(b) For multi-year contracts, Congress shall, upon  
17 [certification by the President] ISSUANCE OF A MULTI-YEAR  
18 OBLIGATIONAL AUTHORITY BY THE DEPARTMENT OF BUDGET  
19 AND MANAGEMENT (DBM), make the corresponding  
20 appropriation for the ensuing fiscal years: *Provided*, That  
21 [Congress shall appropriate only such funds as may be necessary  
22 to pay any unpaid account where such funds mentioned in  
23 Section 11 of this Act are not sufficient or available to meet such  
24 payment in full or in part] THE DND AND THE DBM SHALL  
25 ISSUE THE IMPLEMENTING GUIDELINES TO ENSURE  
26 CONSISTENCY WITH THE REVISED AFP MODERNIZATION  
27 PROGRAM AND EXISTING GUIDELINES IN THE CONTRACTING  
28 OF MULTI-YEAR PROJECTS.

1           “(c) The Secretary of National Defense shall submit to  
2 Congress, through the [chairmen] CHAIRPERSONS of the Senate  
3 Committees on National Defense and Security and Finance and  
4 the [chairmen] CHAIRPERSONS of the House Committees on  
5 National Defense AND SECURITY and Appropriations, copies of  
6 these multi-year contracts and other agreements/arrangements to  
7 enable Congress to appropriate funds.”

8           SEC. 6. Section 11 of the same Act is hereby amended to read as  
9 follows:

10           “SEC. 11. *THE REVISED AFP Modernization Act Trust*  
11 *Fund.* – There is hereby created a trust fund, to be known as the  
12 **REVISED AFP Modernization Act Trust Fund.** Said trust fund,  
13 which shall be used exclusively for the AFP modernization  
14 program, **INCLUDING ALL NECESSARY EXPENSES TO**  
15 **IMPLEMENT THE PROCUREMENT OF EQUIPMENT SUCH AS**  
16 **EXPENSES FOR PRE-SELECTION AND POST-QUALIFICATION**  
17 **STAGES,** but not to include salaries and allowances, shall be  
18 funded out of the following:

19           “(a) Appropriations for the **REVISED AFP**  
20 **[m]Modernization [p]Program;**

21           “(b) The proceeds from the sale[, lease or joint  
22 development] of military reservations, as may be authorized by  
23 Congress, **PURSUANT TO THE PROVISIONS OF EXISTING LAWS**  
24 **AND REGULATIONS GOVERNING SALES OF GOVERNMENT**  
25 **PROPERTIES,** including such immovable and other facilities as  
26 may be found therein, not **OTHERWISE** covered by the Bases

1 Conversion and Development Authority, as provided for in  
2 Republic Act No. 7227, AS AMENDED;

3 “(C) THE PROCEEDS FROM THE LEASE OR JOINT  
4 DEVELOPMENT OF MILITARY RESERVATIONS, AS MAY BE  
5 AUTHORIZED BY THE PRESIDENT, PURSUANT TO THE  
6 PROVISIONS OF EXISTING LAWS AND REGULATIONS  
7 GOVERNING LEASE OR JOINT DEVELOPMENT OF GOVERNMENT  
8 PROPERTIES, INCLUDING SUCH IMMOVABLES AND OTHER  
9 FACILITIES AS MAY BE FOUND THEREIN, NOT SPECIFICALLY  
10 ENUMERATED UNDER REPUBLIC ACT NO. 7227, AS AMENDED;

11 “[c)](D) Shares of the AFP from the proceeds of the sale  
12 of military camps provided for under Republic Act No. 7227[;],  
13 AS AMENDED, AND AT LEAST FIFTY PERCENT (50%) OF THE  
14 PROCEEDS, NET OF DIRECT EXPENSES AUTHORIZED TO BE  
15 DEDUCTED FROM SUCH PROCEEDS FROM THE LEASE AND/OR  
16 JOINT VENTURE AGREEMENTS AND SUCH OTHER DISPOSITIONS  
17 PERTAINING TO THE SAME CAMPS IN ACCORDANCE WITH  
18 APPLICABLE AND/OR EXISTING ORDERS, RULES, REGULATIONS  
19 AND ISSUANCES.

20 “THE DND OR THE AFP MAY ASSIGN TO THE BASES  
21 CONVERSION AND DEVELOPMENT AUTHORITY OR DESIGNATE  
22 IT AS DISPOSITION ENTITY FOR THE SALE, LEASE OR JOINT  
23 DEVELOPMENT OF MILITARY RESERVATIONS OR PORTIONS  
24 THEREOF OR FACILITIES AND IMMOVABLES LOCATED  
25 THEREIN NOT OTHERWISE COVERED UNDER REPUBLIC ACT  
26 NO. 7227, AS AMENDED, SUBJECT TO THE PARAMETERS SET BY  
27 THE DND OR THE AFP AND APPLICABLE LAWS, RULES,  
28 REGULATIONS AND OTHER RELATED ISSUANCES;



1           “(E) THE PROCEEDS DERIVED FROM PUBLIC-PRIVATE  
2 PARTNERSHIPS ENTERED INTO BY THE DND OR THE AFP, AS  
3 MAY BE AUTHORIZED BY THE PRESIDENT, PURSUANT TO THE  
4 PROVISIONS OF EXISTING LAWS AND REGULATIONS;

5           “[(d)](F) Proceeds from the sale of the products of the  
6 [g]Government [a]Arsenal AND/OR, IN CASE OF JOINT  
7 VENTURE, ALL INCOMES EARNED FROM THE EQUITY SHARE OF  
8 THE GOVERNMENT ARSENAL FROM THE JOINT VENTURE;

9           “[(e)](G) The proceeds from the disposal of excess and/or  
10 uneconomically repairable equipment and other movable assets  
11 of the AFP and the [g]Government [a]Arsenal;

12           “[(f)](H) Funds from budgetary surplus, if any, as may be  
13 authorized by Congress subject to the provisions of Section 8 of  
14 this Act; [and]

15           “(I) DONATIONS COMING FROM LOCAL AND FOREIGN  
16 SOURCES, SPECIFICALLY EARMARKED TO BE USED FOR THE  
17 REVISED AFP MODERNIZATION PROGRAM;

18           “(J) A REASONABLE AMOUNT FROM THE SHARE OF THE  
19 NATIONAL GOVERNMENT IN THE MALAMPAYA OIL AND GAS  
20 EXPLORATION AND SUCH OTHER SIMILAR OR RELATED  
21 EXPLORATIONS FOR ENERGY, AS MAY BE APPROVED BY THE  
22 PRESIDENT; AND

23           “[(g)](K) All interest income of the trust fund.

24           “[The trust fund] FUNDS FROM THE FOREGOING  
25 SOURCES, REGARDLESS OF INCOME SOURCE, SHALL BE  
26 DIRECTLY DEPOSITED TO A SPECIAL ACCOUNT IN THE  
27 GENERAL FUND CREATED SPECIFICALLY FOR THE REVISED

1        **AFP MODERNIZATION PROGRAM. THE CORRESPONDING**  
2        **ALLOTMENT AND CASH ALLOCATION SHALL BE RELEASED TO**  
3        **THE AFP SUBJECT TO THE SUBMISSION OF A SPECIAL BUDGET.**  
4        **THEREAFTER, THE CASH ALLOCATION SHALL BE**  
5        **TRANSFERRED TO THE REVISED AFP MODERNIZATION TRUST**  
6        **FUND WHICH shall be administered by the Secretary of National**  
7        **Defense in accordance with existing government BUDGETING**  
8        **AND auditing rules and regulations. THE DND SHALL CONDUCT**  
9        **PERIODIC STUDIES ON HOW TO MAXIMIZE THE UTILIZATION OF**  
10       **THE TRUST FUND AND HOW ADDITIONAL REVENUES CAN BE**  
11       **GENERATED TO FUND THE REVISED AFP MODERNIZATION**  
12       **PROGRAM.”**

13       SEC. 7. Section 12 of the same Act is hereby amended to read as  
14 follows:

15                *“SEC. 12. Modernization of the Government Arsenal. –*

16        The modernization of the [g]Government [a]Arsenal, for the  
17        development of production capabilities to enhance  
18        self-sufficiency in defense requirements, shall be part of the  
19        **REVISED AFP [m]Modernization [p]Program.** The  
20        [g]Government [a]Arsenal shall be effectively utilized in the  
21        production of basic weapons, ammunition and other munitions  
22        for the use of the AFP, [and] the Philippine National Police  
23        (PNP) **AND OTHER UNIFORMED GOVERNMENT AGENCIES,** and  
24        for the sale and export of products in excess of [AFP/PNP] **THE**  
25        **requirements OF THE AFP, THE PNP AND OTHER UNIFORMED**  
26        **GOVERNMENT AGENCIES.** The [g]Government [a]Arsenal may  
27        use such production facilities as it may own or be provided with

1 under this Act or as it may arrange, under joint venture, co-  
2 production or similar agreements with local and foreign entities.

3 THE PRESENT SITE OF THE GOVERNMENT ARSENAL, AS  
4 DEFINED BY PRESIDENTIAL PROCLAMATION NUMBER 361-A  
5 DATED 7 MARCH 1968, AS AMENDED, IS HEREBY DECLARED A  
6 DEFENSE INDUSTRIAL ECONOMIC ZONE WITH INVESTMENTS  
7 THEREAT ENTITLED TO SUCH TAX PRIVILEGES AND OTHER  
8 APPROPRIATE INCENTIVES THAT ARE ALLOWED UNDER  
9 REPUBLIC ACT NO. 7916, AS AMENDED, AND OTHER EXISTING  
10 LAWS.”

11 SEC. 8. Section 14 of the same Act is hereby deleted and in lieu  
12 thereof, a new Section 14 shall be inserted to read as follows:

13 [SEC. 14. *AFP Procurement System.* – The DND-AFP  
14 shall strengthen its systems and procedures for equipment  
15 acquisition, taking into account new requirements under the AFP  
16 modernization program. Contract negotiations and equipment  
17 acquisition shall be treated as two sequential but separate steps,  
18 each requiring the separate decision of the Secretary of National  
19 Defense. The decision making process for equipment acquisition  
20 shall start at the appropriate service command and submitted to  
21 the AFP Weapon Systems Board, while contract negotiation  
22 shall start at general headquarters AFP level. In its system and  
23 procedures for equipment acquisition, the provisions of  
24 Presidential Decree No. 1594, as amended, and other applicable  
25 laws shall apply.]

26 “SEC. 14. *MODERNIZATION PLANNING AND*  
27 *PROCUREMENT.* – THE REVISED AFP MODERNIZATION  
28 PROGRAM PLANNING AND PROCUREMENT SHALL BE

1 CONDUCTED IN ACCORDANCE WITH THE DEFENSE SYSTEM  
2 OF MANAGEMENT (DSOM) WHICH IS DEFINED AS A  
3 STRATEGY-DRIVEN, CAPABILITY-BASED MULTI-YEAR  
4 PLANNING AND EXECUTION PROCESS. IN THIS REGARD,  
5 STRATEGIC PLANNING, CAPABILITY ASSESSMENT AND  
6 PLANNING, ACQUISITION PLANNING, PROCUREMENT AND  
7 CONTRACTING, AND RESOURCES PLANNING AND FINANCIAL  
8 MANAGEMENT SHALL BE TREATED AS AN INTEGRATED AND  
9 WHOLISTIC PROCESS.

10 "UPON PRIOR APPROVAL BY THE PRESIDENT OF THE  
11 PHILIPPINES, WHEN THE PROCUREMENT FOR USE BY THE AFP  
12 INVOLVES MAJOR DEFENSE EQUIPMENT IN ACCORDANCE WITH  
13 THE DSOM, AND THE EQUIPMENT OR MATERIAL REQUIRED IS  
14 NOT AVAILABLE LOCALLY AND THE SECRETARY OF NATIONAL  
15 DEFENSE HAS DETERMINED THAT THE INTERESTS OF THE  
16 COUNTRY SHALL BE PROTECTED BY NEGOTIATING DIRECTLY  
17 WITH A MANUFACTURER OR AN INSTRUMENTALITY OF  
18 ANOTHER COUNTRY WITH WHICH THE PHILIPPINES HAS  
19 ENTERED INTO A DEFENSE COOPERATION AGREEMENT OR  
20 OTHERWISE MAINTAINS DIPLOMATIC RELATIONS, THE  
21 PROCUREMENT BY THE AFP OF THE EQUIPMENT  
22 ABOVEMENTIONED SHALL BE EXEMPTED FROM THE  
23 REQUIREMENT OF PUBLIC BIDDING UNDER REPUBLIC ACT  
24 NO. 9184: *PROVIDED, HOWEVER,* THAT THE PERFORMANCE BY  
25 THE SUPPLIER OF ITS OBLIGATIONS UNDER THE  
26 PROCUREMENT CONTRACT SHALL BE COVERED BY A  
27 PERFORMANCE SECURITY IN ACCORDANCE WITH SECTION 39  
28 OF REPUBLIC ACT NO. 9184: *PROVIDED, FINALLY,* THAT  
29 MAJOR DEFENSE EQUIPMENT SHALL REFER TO AIRCRAFTS,

1           VESSELS, TANKS, ARMORED VEHICLES, COMMUNICATION  
2           EQUIPMENT, RADAR SYSTEMS AND HIGH-POWERED FIREARMS.

3           “NOTWITHSTANDING THE PROVISIONS OF THIS  
4           SECTION, ONLY DULY AUTHORIZED REPRESENTATIVES  
5           OF SERVICE PROVIDERS, MANUFACTURERS OR  
6           INSTRUMENTALITIES OF OTHER COUNTRIES SHALL BE  
7           ALLOWED TO PARTICIPATE IN ANY ACTIVITY INVOLVING THE  
8           REVISED AFP MODERNIZATION PROGRAM INCLUDING, BUT  
9           NOT LIMITED TO, SUPPLIES, REPAIR AND REHABILITATION OF  
10          MAJOR AND MINOR EQUIPMENT.”

11          SEC. 9. Section 16 of the same Act is hereby amended to read as  
12 follows:

13           “SEC. 16. [*Annual*] *Reports*. – [Not later than the end  
14 of the first quarter of the succeeding year:] (a) NOT LATER  
15 THAN THE END OF THE FIRST QUARTER OF THE SUCCEEDING  
16 YEAR, [T]The Secretary of National Defense shall submit to the  
17 President and Congress an annual report on the status of the  
18 REVISED AFP Modernization Act Trust Fund, as provided for in  
19 Section 11 of this Act;

20           “(b) The Chief of Staff, AFP, shall submit to the  
21 President and Congress, through the Secretary of National  
22 Defense, a[n annual] QUARTERLY report containing the progress  
23 of the implementation of the modernization program under this  
24 Act to include the AFP modernization activities implemented  
25 prior to the approval of this Act.”

26          SEC. 10. Insert three sections after Section 16 of the same Act which  
27 shall now become the new Sections 17, 18 and 19 respectively, which shall  
28 read as:

1           “SEC. 17. *EXEMPTION FROM VALUE-ADDED TAX AND*  
2           *CUSTOMS DUTIES.* – THE SALE OF WEAPONS, EQUIPMENT AND  
3           AMMUNITIONS TO THE AFP, WHICH ARE DIRECTLY AND  
4           EXCLUSIVELY USED FOR ITS PROJECTS, UNDERTAKINGS,  
5           ACTIVITIES AND PROGRAMS UNDER THE REVISED AFP  
6           MODERNIZATION ACT, SHALL BE EXEMPT FROM THE  
7           VALUE-ADDED TAX: *PROVIDED*, THAT THE IMPORTATION OF  
8           THE SAME BY THE AFP SHALL LIKEWISE BE EXEMPT FROM  
9           THE VALUE-ADDED TAX AND CUSTOMS DUTIES.

10           “SEC. 18. *CONGRESSIONAL OVERSIGHT COMMITTEE.* –  
11           THERE IS HEREBY CREATED A CONGRESSIONAL OVERSIGHT  
12           COMMITTEE TO MONITOR AND OVERSEE THE  
13           IMPLEMENTATION OF THE PROVISIONS OF THIS ACT. THE  
14           COMMITTEE SHALL BE COMPOSED OF SIX (6) MEMBERS FROM  
15           THE SENATE AND SIX (6) MEMBERS FROM THE HOUSE OF  
16           REPRESENTATIVES WITH THE CHAIRPERSONS OF THE  
17           COMMITTEES ON NATIONAL DEFENSE AND SECURITY OF  
18           BOTH HOUSES AS JOINT CHAIRPERSONS. THE FIVE (5) OTHER  
19           MEMBERS FROM EACH CHAMBER SHALL BE DESIGNATED BY  
20           THE SENATE PRESIDENT AND THE SPEAKER OF THE HOUSE OF  
21           REPRESENTATIVES, RESPECTIVELY. THE MINORITY SHALL  
22           HAVE AT LEAST TWO (2) REPRESENTATIVES FROM BOTH  
23           CHAMBERS.

24           “SEC. 19. *SUNSET REVIEW.* – AS THE NEED ARISES OR  
25           WITHIN FIVE (5) YEARS AFTER ITS EFFECTIVITY, THE  
26           CONGRESSIONAL OVERSIGHT COMMITTEE SHALL CONDUCT A  
27           SUNSET REVIEW OF THIS ACT. THE TERM ‘SUNSET REVIEW’  
28           SHALL MEAN A SYSTEMATIC EVALUATION OF THE

1           **ACCOMPLISHMENTS AND IMPACT OF THIS ACT, AS WELL AS**  
2           **THE PERFORMANCE AND ORGANIZATIONAL STRUCTURE OF ITS**  
3           **IMPLEMENTING AGENCIES, FOR PURPOSES OF DETERMINING**  
4           **REMEDIAL LEGISLATION.”**

5           SEC. 11. All sections of the same Act are hereby amended and  
6 renumbered accordingly.

7           SEC. 12. *Repealing Clause.* – All laws, executive orders, rules and  
8 regulations inconsistent with or contrary to this Act are hereby deemed  
9 accordingly repealed or amended.

10          SEC. 13. *Separability Clause.* – If, for any reason, any section or  
11 provision of this Act is declared unconstitutional or invalid, the other sections  
12 or provisions not affected thereby shall remain in full force and effect.

13          SEC. 14. *Effectivity Clause.* – This Act shall take effect fifteen (15)  
14 days after its publication in at least two (2) newspapers of national circulation.

Approved,

**O**