



HOUSE OF REPRESENTATIVES

H. No. 5380

BY REPRESENTATIVES MANDANAS, DUMPIT, CODILLA AND GIDAYA, PER
COMMITTEE REPORT NO. 1648

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 House of Representatives of the Philippines in
Congress assembled:*

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

5 SEC. 2. *Coverage.* -- This Act shall apply to the lease, development or
6 use, as 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 and

1 Nampeidai properties in Tokyo and the Naniwa-cho and Obanoyam properties
2 in Kobe; and

3 (e) other properties that may be identified by the Office of the
4 President.

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

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

24 The Privatization and Management Office (PMO) is hereby authorized
25 to implement the actual marketing for the lease, development or use of the

1 above properties after securing the prior approval of the Council: to execute
2 and deliver, on behalf of the national government, the deeds, contracts and
3 other instruments as may be necessary or appropriate to effect the lease,
4 development or use of said properties; to secure possession of and conserve the
5 same; to engage external expertise as may be necessary in the fulfillment of its
6 tasks; to submit periodic reports to the Council and to the PVAO on the status
7 of private sector participation in the lease, development or use of said
8 properties; and to adopt such rules and regulations as may be necessary to
9 effect the provisions of this Act.

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

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

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

4 *SEC. 8. Effectivity.* – This Act shall take effect after fifteen (15) days
5 following the completion of its publication in two national newspapers of
6 general circulation.

Approved,

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