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 lack of government appropriation since the law did not identify the source of funding for the said pension.

This bill, thus, seeks to utilize the proceeds from the development, lease, or other use of government properties for the payment of these arrears. 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, the urgent passage of this bill is earnestly requested.

MANUEL DG. CABOCHAN III
Representative
Magdalo Para sa Pilipino Party-List
AN ACT
MANDATING THE USE OF 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 the House of Representatives of the Philippines in Congress assembled:

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

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

(a) Former site of the Philippine Veterans Affairs Office (PVAO) at Arroceros Street, Ermita, Manila;
(b) Veterans Memorial Medical Center in Quezon City;
(c) Taguig Industrial Estates;
(d) Properties given by the Japanese government to the Philippine government under the Reparations Agreement, including the Roponggi, Nampeedai and Fujimi properties in Tokyo, and the Noniwacho and Obanoyama in Kobe; and
(e) Other properties that may be identified by the Secretary of the Department of National Defense (DND).

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

(a) Execute and deliver, on behalf of the national government, the deeds, contracts and other instruments as may be necessary or appropriate to effect the lease, development or use of said properties;
(b) Engage external expertise as may be necessary in the fulfillment of its tasks;
(c) Submit periodic reports to the PVAO on the status of private sector participation in the lease, development or use of said properties; and
(d) Adopt such rules and regulations as may be necessary to effect the provisions of this Act.

SEC. 4. Utilization of Proceeds for Veterans and Military Retirees' Pension and Benefits. – All proceeds from the sale, lease, development or use of the properties identified in Section 2 hereof shall be utilized to fund the pension and benefits of the veterans and military retirees, whether in arrears or due for payment by the national government: Provided, That any shortfall in payment of pensions and benefits to veterans and military retirees shall be settled by the national government from other sources. Provided further, That all proceeds and receipts from the lease, development, and use of said properties, except operational expenses, shall be remitted directly to the Philippine Veterans Bank as the depository bank and managed by the Philippine Veterans Affairs Office.

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

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

SEC. 8. Effectivity. – This Act shall take effect fifteen (15) days after its complete publication in the Official Gazette or in at least two (2) newspapers of general circulation.

Approved,