

REPUBLIC OF THE PHILIPPINES
HOUSE OF REPRESENTATIVES
Quezon City

SIXTEENTH CONGRESS
First Regular Session

House Bill No. **3360**



Introduced by **MAGDALO Party List Representatives**
Gary C. Alejano and Francisco Ashley L. Acedillo

EXPLANATORY NOTE

The past few months saw the country reeling from the unimaginable and heartwrenching magnitude and extent of the damage and destruction caused by a series of natural and man-made calamities starting from the Moro National Liberation Front (MNLF) Siege of Zamboanga City last September, the 7.2 magnitude earthquake which devastated the provinces of Bohol and parts of Cebu and other Visayan provinces last October 15, 2013; the strongest tropical cyclone on record to make landfall – Typhoon Yolanda (international codename: Haiyan) which hit the Visayas, Palawan and other provinces on November 8, 2013, among others. Approximately 9.5 million people were affected by the last calamity, Super Typhoon Yolanda, and the estimated death toll of 10,000 is feared to continue to rise as rescue workers struggle to reach isolated areas ravaged by the deadly storm.

The government is, thus, faced with an overriding urgency to respond to the plight of our people and communities who have been badly battered by the onslaught of these recent calamities. This has prompted President Benigno S. Aquino III to declare the country to be under a *State of National Calamity* pursuant to Proclamation No. 682 on November 11, 2013.

While amendments to the 2014 General Appropriations Act (GAA) are being proposed to include significant amounts of funds which the Executive can immediately use to respond to the crises, there is an imperative need to provide more substantial funds and resources and create a legal framework which will support the intermediate and long-term recovery, rehabilitation and reconstruction efforts for the communities damaged and devastated by the series of calamities.

This measure seeks to create a National Calamity Recovery, Rehabilitation and Reconstruction Fund which shall provide substantial financial resources for the intermediate and long-term reconstruction and rehabilitation of public infrastructure and for the rebuilding of homes and communities in the parts of the country affected by aforementioned and similar calamities. The appropriation for the aforesaid Fund shall be sourced from the Malampaya Fund collected through the Department of Energy under Presidential Decree No. 108.

Albeit the Malampaya Fund, which has a current balance of P 137.3 Billion¹, was created for the purpose of financing energy resource exploration, development and exploitation programs and projects of Government, empirical data show that it has not always been used for the said purpose. This is an opportune time to legislate a new measure to harness and utilize these funds for the benefit of our people, particularly for the purpose of creating a critical resource to help our people and our country recover from the aforementioned series of calamities.

In view of the foregoing, immediate enactment of this measure is earnestly sought.



GARY C. ALEJANO



FRANCISCO ASHLEY L. ACEDILLO

¹ Please see *"Treasury: P137.3 Billion Malampaya Fund Intact"*, an article published on 09 October 2013 in the Official Gazette (<http://www.gov.ph/2013/10/09/btr-p137-3-b-malampaya-fund-intact/>); Information retrieved on 13 November 2013.

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AN ACT
APPROPRIATING THE SUM OF FIFTY BILLION PESOS (P50,000,000,000.00) FOR
THE CREATION OF A NATIONAL CALAMITY RECOVERY, REHABILITATION
AND RECONSTRUCTION FUND AND FOR OTHER RELATED PURPOSES

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

1 **SECTION 1. *Short Title.*** – This Act shall be known as the "*National Calamity*
2 *Rehabilitation Act of 2013.*"

3
4 **Section 2. *Declaration of Policy.*** – It is hereby declared the policy of the State to assist
5 the victims in the communities damaged or destroyed or adversely affected by the following
6 natural and man-made calamities, particularly:

- 7 1. the Moro National Liberation Front (MNLF) Siege of Zamboanga City last
8 September 2013;
- 9 2. the 7.2 magnitude earthquake which ravaged the Bohol, parts of Cebu and other
10 Visayan provinces last October 15, 2013; and –
- 11 3. Supertyphoon Yolanda (international code name: Haiyan) last November 8-9, 2013;
12 among others, and the aftereffects of the same, by extending to them aid, relief, resettlement,
13 rehabilitation, the repair and reconstruction of public infrastructure, homes and communities to
14 the end that life may return to normalcy at the earliest possible time and the development of
15 affected provinces may be accelerated.

16 It is hereby further declared the policy of the State to restore the living conditions of the
17 families and other members of the affected communities in the area to their productive pre-

1 calamity conditions, with the resettlement sites being chosen according to their suitability as
2 permanent, safe and peaceful abodes thereby ensuring the development and improvement of
3 these communities.

4 The State acknowledges with sincere gratitude the invaluable contribution of foreign
5 governments, as well as countless individuals, organizations and financial institutions here and
6 abroad who have spontaneously and unselfishly contributed their time, effort and resources to the
7 relief and rehabilitation efforts for the affected communities.

8
9 **Section 3. *National Calamity Recovery, Rehabilitation and Reconstruction Fund.* –**

10 There is hereby created a National Calamity Recovery, Rehabilitation and Reconstruction Fund
11 (hereinafter referred to as the '*National Rehabilitation Fund*' or the '*Fund*') to provide financial
12 resources for the reconstruction and rehabilitation of public infrastructure and for the repair and
13 rebuilding of homes and communities in the parts of the country affected by above-mentioned
14 calamities, among other calamities, particularly but not limited to the following provinces/cities:
15 Zamboanga City, Northern Samar, Eastern Samar, Samar, Leyte, Southern Leyte, Biliran Island,
16 Province of Bohol, Cebu Province, Cebu City, Bantayan, Camotes Islands, Northern Negros
17 Occidental, Capiz, Aklan, Antique, Iloilo, Guimaras.

18
19 **SEC. 4. *Appropriations.* –** The sum of Fifty Billion Pesos (P50,000,000,000.00) is
20 hereby appropriated for the Fund to be charged against the net government share in the proceeds
21 of Service Contract No. 38 authorized under Section 8 of Presidential Decree (P.D.) No. 910,
22 otherwise known as the Malampaya Fund; provided, that Congress may appropriate additional
23 funds to augment this initial appropriation as it may find appropriate and proper under the
24 circumstances in the course of the implementation of the plans and programs of the Commission.

25
26 **Section 5. *Statement of Objectives and Guidelines.* –** The Fund is intended to help the
27 victims of the above-identified calamities and their aftereffects. It aims to provide substantial
28 funds and resources for the intermediate and long-term relief of the victims; to establish
29 resettlement centers, homesites and townsites for displaced families; to provide livelihood and

1 employment opportunities; to repair, reconstruct or replace government infrastructure as well as
2 homes and communities damaged or destroyed by said disaster whenever economically, socially
3 and technically advisable; and to construct new infrastructure facilities for the affected
4 communities.

5 The term "*victims*" when used for purposes of this Act refers to the following:

6 (a) Individuals who have died or disappeared as a result of the aforementioned calamities;

7 (b) Individuals who were displaced and/or who sustained injury or suffered death in the
8 family as a result of the aforementioned calamities who need and deserve assistance;
9 and –

10 (c) Individuals whose homes have been or are threatened to be destroyed or rendered
11 uninhabitable and those who have lost permanently their livelihood as a direct result
12 of the aforementioned calamities who similarly need and deserve assistance.

13
14 **Section 6. *Guidelines in the Allocation of Funds.*** – The government funds and resources
15 herein appropriated and donations and contributions collected shall be spent judiciously and
16 effectively in consonance with the development plan crafted and approved by the National
17 Rehabilitation Commission, and the principle of providing the greatest good for the greatest
18 number. Accordingly, the following guidelines shall be observed in allocating the funds made
19 available under this Act, thus:

20 (a) In the construction or repair and reconstruction of government infrastructure and
21 facilities, priority shall be given to rebuilding of homes and resettlement centers, homesites and
22 townsites, and such other related support projects as river system and drainage works, roads,
23 bridges, communication and power lines, hospitals, school buildings, irrigation and water
24 systems, and the like;

25 (b) Aid, relief, resettlement, rehabilitation and livelihood services shall be equitably
26 extended to all victims, irrespective of political or party affiliation, sex, creed, religious belief, or
27 ethnic origin, or location, giving emphasis to livelihood and employment opportunities;

(c) Funds shall be allocated in the first year for the acquisition by appropriate government agencies of special equipment, such as amphibians and other equipment designed for use in the affected areas in an amount not to exceed Five Hundred million pesos (P500,000,000.00); and –

(d) No money shall be released except to the appropriate line agencies of the government and/or the affected local government units which shall act as the implementing agencies and without any identified program and project nor shall the funds be used to pay obligations incurred before the approval of this Act;

SEC. 7. *National Crisis Recovery, Rehabilitation and Reconstruction Commission.* –

The National Calamity Recovery, Rehabilitation and Reconstruction Commission (hereinafter referred to as the '*National Rehabilitation Commission*' or the '*Commission*') is hereby constituted to oversee the prioritization of programs and projects to be funded by the Fund and to oversee by proper and optimal utilization of the aforesaid Fund.

The Commission shall be Chaired by the Executive Secretary and shall be composed of the following members:

(a) the Secretary of the Department of Social Welfare and Development (DSWD);

(b) the Secretary of the Department of National Defense (DND);

(c) the Secretary of the Department of Health (DOH);

(d) the Secretary of the Department of the Interior and Local Government (DILG);

(e) the Director-General of the National Economic and Development Authority (NEDA);

(f) the Secretary of the Department of Public Works and Highways (DPWH);

(g) the Secretary of the Department of Education (DepED);

(h) the Secretary of the Department of Budget and Management (DBM);

(i) the Secretary of the Department of Finance (DOF);

(j) the Executive Director of the National Disaster Risk Reduction and Management Council (NDRMMC);

(k) the President of the Union of Local Authorities of the Philippines;

(l) the President of the League of Provinces of the Philippines;

- (m) the President of the League of Cities of the Philippines;
- (n) the President of the League of Municipalities of the Philippines;
- (o) the President of the Liga ng mga Barangay;
- (p) four (4) members representing the private sector to be appointed by the President from the affected communities; and –
- (q) the Executive Director of the Commission;

The Commission shall be organized within thirty (30) days after the approval of this Act. The Commission shall have a term of five (5) years from its organization; provided, that the President by proclamation may, within six (6) months prior to the expiration of the term, extend the period of its existence once for not more than three (3) years. Such amount as may be necessary for the initial organization and/or operational expenses of the Commission shall be set aside from the amount herein appropriated.

For administrative purposes, the Commission shall be attached to the Office of the President.

Section 8. Powers of the Commission. – To carry out its objectives under this Act, the Commission shall have the following powers:

- (a) To formulate policies and plans for the relief, rehabilitation, resettlement and livelihood services as well as infrastructure support in harmony with the other plans and policies of the National Government and other relevant agencies;
- (b) To prioritize and coordinate the implementation of the various programs and projects of the Commission;
- (c) To enter into, make, perform and carry out agreements and contracts of every class, kind and description which are necessary to the realization of its purposes with any person, firm or corporation, private or public, and, upon consultation with the President, with foreign government entities, subject to the usual accounting and auditing requirements;

1 (d) To apply for, receive and accept grants and donation of funds, equipment, materials
2 and services for the rehabilitation and development of the affected communities, within
3 and outside the Philippines;

4 (e) To monitor the progress of the relief, rehabilitation, resettlement and livelihood as
5 well as infrastructure support and rehabilitation and related support programs and
6 projects;

7 (f) To coordinate and consult with concerned national and local officials, both elective
8 and appointive, in the prioritization and prosecution of the programs and projects;

9 (g) To call upon any department, office, instrumentality, agency, or any political
10 subdivision of the Government for such assistance as may be necessary for the attainment
11 of the objectives of the Commission;

12 (h) To identify subsequent national crises and/or calamities with such magnitude,
13 impact and/or effects similar to those identified in Section 2 hereof, the victims of which
14 may be included under the coverage of this Act; and –

15 (i) In general, to perform such other powers as may be necessary and proper to carry out
16 the purposes of this Act.

17
18 **Section 9. Executive Director; Powers and Responsibilities.** – The President shall
19 appoint a person of proven competence, integrity and experience as the Executive Director of the
20 Commission, who shall serve as the chief executive officer thereof. He shall have the rank,
21 compensation and remuneration of an Undersecretary and shall serve until such time as the
22 Commission is dissolved, unless sooner removed from office by the President. He shall have the
23 following powers and functions:

24 (a) Execute and administer the policies and decisions of the Commission;

25 (b) Directly coordinate the activities of all agencies and instrumentalities of the
26 Government in the planning and implementation of Commission's programs and projects;

27 (c) Monitor the programs and projects and evaluate the effects of execution by these
28 agencies and instrumentalities and submit to the Commission periodic reports relating to
29 the development of the areas; and

1 (d) Perform such other functions as are inherently necessary in the operational
2 management of the areas to be rehabilitated and developed in accordance with the
3 policies and guidelines formulated by the Commission.
4

5 **Section 10. *Implementation.*** – The survey, construction or repair and reconstruction of
6 damaged, destroyed, required or alternate government infrastructure and facilities shall be
7 undertaken by the implementing government agencies concerned by public bidding,
8 administration or through negotiated contracts whenever warranted by the emergency nature of
9 the programs or projects, as determined by the Commission, subject to the usual accounting and
10 auditing rules and regulations. Whenever suitable, labor-based technology shall be used in the
11 implementation of the programs and projects.

12 With respect to aid, relief, resettlement, rehabilitation and livelihood services to
13 individual beneficiaries, the Commission may seek the assistance and use the services of the
14 Philippine National Red Cross and all other relief agencies and volunteer organizations with
15 proven record in providing relief work.

16 The departments and agencies of the Government involved with the aid, relief,
17 resettlement, rehabilitation and livelihood services as well as infrastructure development and
18 support shall continue to be the implementing agencies of the Commission and shall submit to
19 the Commission every quarter the data and information required under Section 12 hereof.
20

21 **Section 11. *Preference for Local Residents.*** – Residents in the affected areas, especially
22 the victims, shall be given preference in hiring or employment in the construction or repair and
23 reconstruction of damaged or destroyed government infrastructure and facilities and other labor
24 requirements in all other projects.
25

26 **Section 12. *Report to Congress.*** – The Commission shall submit to the President and to
27 Congress a detailed quarterly report on the funds allocated indicating the amount released,
28 obligated and disbursed for:

1 (a) Aid, relief, resettlement, rehabilitation and livelihood services, including the list of
2 names of approved individual beneficiaries and contractors and the evaluation of the
3 effectiveness of the delivery systems of such services; and

4 (b) Construction or repair and reconstruction of infrastructure projects, including the list
5 of contractors and projects being financed, and the accomplishments for the expended
6 appropriations, including the percentage of completion.

7 The Commission shall cause to be disseminated in the community the list of beneficiaries
8 and contractors mentioned above.

9 The Commission shall also submit as part of the quarterly report a list of local and
10 foreign donors and the nature of their donations.

11
12 **Section 13. *Joint Congressional Oversight Committee.*** – There is hereby created the
13 Joint Congressional Oversight Committee to monitor the implementation of this Act. The
14 Committee shall be composed of five (5) senators and five (5) representatives to be so designated
15 by the Senate and the the House of Representatives, respectively. The Oversight Committee shall
16 be co-chaired by a senator and a representative designated by the Senate President and the
17 Speaker of the House of Representatives, respectively.

18 The mandate given to the Joint Congressional Oversight Committee under this Act shall
19 be without prejudice to the performance of the duties and functions by the respective existing
20 oversight committees of the Senate and the House of Representatives.

21
22 **Section 14. *Prohibition Against Running for Public Office.*** – An officer or employee of
23 the Commission shall not be qualified to be a candidate for public office for the election
24 following his resignation or separation. This prohibition does not apply to the Chairman and *ex*
25 *officio* members of the Commission.

26
27 **Section 15. *Punishable Acts.*** – Any person who takes advantage of the calamity by
28 buying and selling relief goods which he knows or should be known to him as intended for
29 donation, or misrepresenting the source of relief goods, or submitting or approving a false or

1 inflated claim shall be prosecuted and, upon conviction, suffer a fine of not less than Fifty
2 thousand pesos (P50,000) nor more than One million pesos (P1,000,000) or imprisonment for not
3 less than six (6) years nor more than fifteen (15) years, or both, at the discretion of the court,
4 including perpetual disqualification from public office if he is a public officer, and confiscation
5 or forfeiture in favor of the Government of any prohibited interest.

6 If the offender is a corporation, partnership or association, or other juridical entity, the
7 penalty shall be imposed upon the officer or officers of the corporation, partnership, association,
8 or entity responsible for the violation and, if such is an alien, he shall, in addition to the penalties
9 prescribed, be deported without further proceedings after service of sentence.

10
11 **Section 16. *Implementing Rules and Regulations.*** – The Commission shall, within thirty
12 (30) days from and after its organization, issue the necessary rules and regulations for the
13 effective implementation of this Act.

14
15 **Section 17. *Separability Clause.*** – If any provision of this Act shall be held
16 unconstitutional or invalid, the other provisions not otherwise affected shall remain in full force
17 and effect.

18
19 **Section 18. *Repealing Clause.*** – Any law, decree, or rules and regulations which are
20 inconsistent with or contrary to the provisions of this Act are hereby amended or repealed.

21
22 **Section 19. *Effectivity Clause.*** – This Act shall take effect upon its publication in at least
23 two (2) national newspapers of general circulation.

Approved.