

Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City, Metro Manila

SIXTEENTH CONGRESS
Second Regular Session

House Bill No. **5480**



Introduced by Magdalo Party-List Representatives
Francisco Ashley L. Acedillo and Gary C. Alejano

EXPLANATORY NOTE

Section 7 Article XVI of the 1987 Philippine Constitution expressly declares that the State shall provide immediate and adequate care, benefits, and other forms of assistance to war veterans and veterans of military campaigns, their surviving spouses and orphans. Funds shall be provided therefor and due consideration shall be given them in disposition of agricultural lands of the public domain and, in appropriate cases, in the utilization of natural resources.

In obedience to the Constitutional mandate, Congress enacted in 1990 Republic Act 6948 otherwise known as “An Act standardizing and upgrading the benefits for military veterans and their dependents”. The law mandated the provision of certain benefits to veterans and their eligible dependents such as the Old Age Pension, Disability Pension, Death Pension, Educational benefits, Burial assistance, and the provision of hospitalization, medical care and treatment through the Veterans Memorial Medical Center (VMMC).

Given this herculean task to provide hospitalization and medical care and treatment, the VMMC has to be given a sustained and ample financial support to allow it to deliver quality service to our nation’s defenders and their eligible dependents. Our government must ensure that VMMC has the needed resources especially in these times when the cost of hospitalization and medicines has risen to heights far beyond the means of most veterans who are suffering from service connected or aging-related ailments.

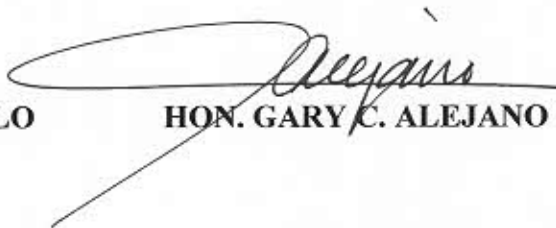
On the other hand, as presently provided under Section 22 of Republic Act 3518, it is mandated that 20% of the net profit of the Philippine Veteran's Bank after deducting the guaranteed earnings of the preferred shall be used, among others, for rehabilitation purposes and for other purposes beneficial to the veterans and their eligible dependents. Since the main rehabilitation facility for veterans is at the VMMC, it is but fitting that said amount be directly funnelled to it to ensure fulfilment of its mandate.

Hence, it is the objective of this bill to pool in resources, and consolidate and harmonize all existing efforts of providing hospitalization, medical care and treatment to veterans and their eligible dependents through the VMMC pursuant to and consistent with the mandate of Republic Act 6948 as amended.

It must also be noted that VMMC was established in 1955 in honor of our veterans who selflessly and valiantly fought for our country: thus, it is but fitting that our government strengthen the VMMC for it to be able to deliver quality service that our veterans – our nation's defenders and their eligible dependents truly deserve.

In view of the foregoing, immediate approval of this bill is earnestly requested.


HON. FRANCISCO ASHLEY L. ACEDILLO


HON. GARY C. ALEJANO

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AN ACT
AMENDING REPUBLIC ACT NO. 3518 OTHERWISE KNOWN AS "AN ACT
CREATING THE PHILIPPINE VETERANS' BANK, AND FOR OTHER PURPOSE

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

1 **SECTION 1.** Section 23 of Republic Act No. 3518 is repealed and Section 22 of
2 Republic Act No. 3518 is hereby amended to read as follows:

3
4 "Section 22. Allocation of Net Profits. At the close of each calendar, the Bank shall
5 determine the net result of its operations, in the calculation of which, adequate allowances shall
6 be made for probable losses, and the net profit arrived thereat shall be distributed as follows:

7
8 a) Twenty (20%) percent of such net profit shall accrue to the reserve account: Provided,
9 that should the accumulated reserves equal to or in excess of the authorized capital of
10 the Bank, the twenty (20%) percent herein authorized to be accumulated shall be
11 distributed under the subsection immediately following;

12
13 b) From the remaining eighty (80%) percent of the profit shall be deducted the
14 guaranteed earning of the preferred shares of stock owned by individual veterans,
15 their widows, orphans or compulsory heirs: Provided, the share in the net profits
16 corresponding to the Republic of the Philippines shall be first applied in payment of
17 its capital stock subscription, until said shares shall have been fully paid. Thereafter,
18 twenty percentum of the net profits after deducting the guaranteed earnings of the
19 preferred shares shall be paid in cash of the [Board of Trustees as hereinafter
20 provided in Section 23 hereof for disposition and shall be available for "grants-in-aid"
21 to veterans, their widows, orphans, or compulsory heirs, for educational, social,
22 charitable, and rehabilitation purposes, to organization doing service for the cause of
23 the veterans, and for such other purposes beneficial to the veterans] **VETERANS**
24 **MEMORIAL MEDICAL CENTER (VMMC) TO GUARANTEE AND**

1 **SUPPORT THE IMPLEMENTATION OF THE VETERANS**
2 **HOSPITALIZATION PROGRAM AS MANDATED BY REPUBLIC ACT NO.**
3 **6948 AS AMENDED.**

4
5 The remaining profits shall be paid as dividends on common shares led by the
6 individual veterans as provided in Section 3 of this Act.”

7
8 **SEC. 2. *Repealing Clause*** – All existing laws or parts thereof inconsistent with the
9 provisions of the Act are hereby repealed or modified accordingly.

10
11 **SEC. 3. *Effectivity Clause*** – This Act take effect upon its approval.

Approved,