

Republic of the Philippines
HOUSE OF REPRESENTATIVES
Constitution Hills, Quezon City

SEVENTEENTH CONGRESS
First Regular Session

HOUSE BILL NO. 4421



Introduced by Representative Harlin Neil J. Abayon III

EXPLANATORY NOTE

This bill is designed to punish individuals or companies that have defrauded the government, or that have overvalued goods or services, in connection with military and reconstruction missions, and to deter such conduct in the future. The justification for the enactment of the bill is due to the lack of contractor accountability, as well as fraud, waste and abuse in the contract or the provision of goods and services, directly or indirectly, connected with a war, military action, or relief or reconstruction activities.

In view of the foregoing, the approval of this initiative is earnestly sought.


HARLIN NEIL J. ABAYON III
Representative
AANGAT TAYO Party-list

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AN ACT
TO PROHIBIT PROFITEERING AND FRAUD RELATING TO MILITARY ACTION,
RELIEF, AND RECONSTRUCTION EFFORTS, AND FOR OTHER PURPOSES.

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

SECTION 1. Short Title. This Act may be known as the "War Profiteering Prevention Act".

SECTION 2. Prohibition. Whoever, in any matter involving a contract or the provision of goods or services, directly or indirectly, in connection with a war, military action, or relief or reconstruction activities within the jurisdiction of the Philippine Government, knowingly and wilfully:

- (a) Executes or attempts to execute a scheme or artifice to defraud the Philippine Government;
- (b) Materially overvalues any good or service with the specific intent to defraud and excessively profit from the war, military action, or relief or reconstruction activities;
- (c) Falsifies, conceals, or covers up by any trick, scheme, or device a material fact;
- (d) Makes any materially false, fictitious, or fraudulent statements or representations; or
- (e) Makes or uses any materially false writing or document knowing the same to contain any materially false, fictitious or fraudulent statement or entry.

SECTION 3. Penalties.

- (a) Any person who shall violate any provision of this Act shall upon conviction, be subject to a fine of not less than One hundred thousand pesos (P100,000.00) or imprisonment of not less than six (6) years, or both upon the discretion of the court. If the offender is an alien, he shall be deported after service of sentence and payment of fine without further deportation proceedings.
- (b) In case the offender is a naturalized citizen, he shall, in addition to the penalty prescribed herein, suffer the penalty of cancellation of his naturalization certificate and its registration in the civil registrar and immediate deportation after service of sentence and payment of fine.

- (c) Any director, officer or agent of a corporation who shall authorize, order or perform any of the acts or practices constituting in whole or in part a violation of Section 2, shall be subject to penalties to which that corporation may be subject.
- (d) In case the violation is by, or in the interest of a foreign juridical person duly licensed to engage in business in the Philippines, such license to engage in business in the Philippines shall immediately be revoked.

SECTION 4. Separability Clause. – If any provision or part thereof, is held invalid or unconstitutional, the remainder of the law or the provision not otherwise affected shall remain valid and subsisting.

SECTION 5. Repealing Clause. – Any law, presidential decree or issuance, executive order, letter of instruction, administrative order, rule or regulation contrary to, or inconsistent with the provisions of this Act is hereby repealed, modified or amended accordingly.

SECTION 6. Effectivity Clause. – This Act shall take effect fifteen (15) days after its publication in at least two (2) newspapers of general circulation.

Approved,