

REPUBLIC OF THE PHILIPPINES }
CONGRESS OF THE PHILIPPINES }
 First Regular Session

H. No. 2505

REPUBLIC ACT NO. 7637

AN ACT APPROPRIATING THE SUM OF TEN BILLION PESOS FOR THE AID, RELIEF, RESETTLEMENT, REHABILITATION AND LIVELIHOOD SERVICES AS WELL AS INFRASTRUCTURE SUPPORT FOR THE VICTIMS OF THE ERUPTION OF MT. PINATUBO, CREATING THE MT. PINATUBO ASSISTANCE, RESETTLEMENT AND DEVELOPMENT COMMISSION, AND FOR OTHER PURPOSES

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

SECTION 1. *Short Title.* – This Act shall be known as the "Mt. Pinatubo Assistance, Resettlement and Development Fund."

SEC. 2. *Declaration of Policy.* – It is hereby declared the policy of the State to assist the victims in the communities damaged or destroyed or adversely affected by the eruption of Mt. Pinatubo and its after effects by extending to them aid, relief, resettlement, rehabilitation and livelihood services and by undertaking construction or repair and reconstruction of infrastructure to the end that life may return to normalcy at the earliest possible time and the development of Central Luzon may be accelerated.

It is hereby further declared the policy of the State to restore the living conditions of the Aetas and other members of the cultural communities in the area to their productive pre-eruption conditions, with the settlement being chosen according to its suitability as permanent upland abodes thereby ensuring the improvement of these communities.

Countless individuals, organizations and financial institutions here and abroad, as well as foreign governments, have spontaneously and unselfishly contributed their time, effort and resources which the State acknowledges with gratitude.

SEC. 3. *Statement of Objectives and Guidelines.* – This Act is intended to help the victims of the eruption of Mt. Pinatubo and its aftereffects. It aims to provide additional funds for the immediate relief of the victims; to establish resettlement centers, homesites and townsites for displaced families; to provide livelihood and employment opportunities; to repair, reconstruct or replace government infrastructure damaged or destroyed by said disaster whenever economically, socially and technically advisable; and to construct new infrastructure facilities needed by the community.

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

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

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

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

SEC. 4. *Guidelines in the Allocation of Funds.* – The government funds and resources herein appropriated shall be spent judiciously and effectively in consonance with the principle of providing the greatest good for the greatest number. Accordingly, the following guidelines shall be observed in allocating the funds made available under this Act:

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

(b) Aid, relief, resettlement, rehabilitation and livelihood services shall be equitably extended to all victims, irrespective of political or party affiliation, sex, creed, religious belief, or ethnic origin, 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 Fifty million pesos (P50,000,000); and

(d) No money shall be released without any identified program and project nor shall it be used to pay obligations incurred before the approval of this Act.

SEC. 5. Appropriations Clause. – To carry out the purposes of this Act, the sum of Ten billion pesos (P10,000,000,000) is hereby appropriated out of any available funds in the National Treasury not otherwise appropriated.

Disbursement of said Ten billion pesos (P10,000,000,000) shall be programmed as follows:

(a) From the approval of this Act to December 31, 1993, the sum of Six billion five hundred million pesos (P6,500,000,000), at least Five billion pesos (P5,000,000,000) of which shall be for resettlement and livelihood projects and one billion Five hundred million pesos (P1,500,000,000) shall be for vital infrastructure;

(b) For the year 1994, the sum of Two billion pesos (P2,000,000,000); and

(c) For the year 1995, the sum of One billion five hundred million pesos (P1,500,000,000).

: *Provided, however,* That undisbursed amounts at the end of any year shall be carried over to the succeeding year.

SEC. 6. Creation of the Mt. Pinatubo Assistance, Resettlement and Development Commission. – For purposes of

this Act, there is hereby created the Mt. Pinatubo Assistance, Resettlement and Development Commission, hereinafter referred to as the Commission.

It shall be organized within thirty (30) days after the approval of this Act. It shall have a term of six (6) 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.

SEC. 7. 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 agencies such as the Bases Conversion and Development Authority;

(b) To make a determination of the areas where the lahar flow may be diverted to spare communities and/or minimize damage to lives, habitation, infrastructure, agricultural and other resources;

(c) To prioritize and coordinate the implementation of the various programs and projects of the Commission;

(d) To sue and be sued in its name, and to adopt, alter and use a seal;

(e) To enter into, make, perform and carry out 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;

(f) To apply for, receive and accept grants and donation of funds, equipment, materials and services needed for the development of the area, within and outside the Philippines;

(g) To monitor the progress of the relief, rehabilitation, resettlement and livelihood as well as infrastructure support programs and projects;

(h) To coordinate and consult with concerned national and local officials, both elective and appointive, as well as accredited nongovernment organizations (NGOs) in the prioritization and prosecution of the programs and projects;

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

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

SEC. 8. *Composition of the Commission.* – The Commission shall be composed of eleven (11) members to be appointed by the President: four (4) coming from the Cabinet, three (3) from the private sector, the Executive Director, and the Chairmen of the Bases Conversion and Development Authority, Subic Metropolitan Bay Authority, and Clark Development Authority as *ex officio* members. The members of the Commission shall serve for six (6) years unless sooner removed for cause. The President shall designate from among the members of the Commission the Chairman thereof.

SEC. 9. *Executive Director; Powers and Responsibilities.* – The President shall appoint a professional manager as the Executive Director of the Commission with a compensation to be

determined by the Commission, who shall serve as the chief executive officer. He shall serve until such time as the Commission is dissolved or unless sooner removed from office by the President. He shall have the following powers and functions:

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

(b) Directly coordinate the activities of all agencies and instrumentalities of the Government in the planning and implementation of projects on site;

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

(d) Perform such other functions as are inherently necessary in the operational management of the areas developed in accordance with the policies and guidelines formulated by the Commission.

SEC. 10. *Implementation.* – The survey, construction or repair and reconstruction of damaged, destroyed, required or alternate government infrastructure and facilities shall be undertaken by the implementing government agencies concerned by public bidding, administration or through negotiated contracts, subject to the usual accounting and auditing rules and regulations. However, in case of negotiated contracts, only duly prequalified and duly licensed contractors as of the approval of this Act can be awarded such contracts. Whenever suitable, labor-based technology shall be used in the implementation of the programs and projects.

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

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

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

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

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

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

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

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

SEC. 13. *Joint Congressional Oversight Committee.* – There is hereby created the Joint Congressional Oversight Committee to monitor the implementation of this Act. The Committee shall be composed of five (5) senators and five (5)

representatives to be appointed by the Senate President and the Speaker of the House of Representatives, respectively. The Oversight Committee shall be co-chaired by a senator and a representative designated by the Senate President and the Speaker of the House of Representatives, respectively.

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

SEC. 14. *Prohibition Against Running for Public Office.* – An officer or employee of the Commission shall not be qualified to be a candidate for public office for the election next following his resignation or separation. This prohibition does not apply to the Chairman and members of the Commission.

SEC. 15. *Punishable Acts.* – Any person who takes advantage of the calamity by buying and selling relief goods which he knows or should be known to him as intended for donation, or misrepresenting the source of relief goods, or submitting or approving a false or inflated claim shall be prosecuted and, upon conviction, suffer a fine of not less than Fifty thousand pesos (P50,000) nor more than One million pesos (P1,000,000) or imprisonment for not less than six (6) years nor more than fifteen (15) years, or both, at the discretion of the court, including perpetual disqualification from public office if he is a public officer, and confiscation or forfeiture in favor of the Government of any prohibited interest. If the offender is a corporation, partnership or association, or other juridical entity, the penalty shall be imposed upon the officer or officers of the corporation, partnership, association, or entity responsible for the violation and, if such officer is an alien, he shall, in addition to the penalties prescribed, be deported without further proceedings after service of sentence.

SEC. 16. *Rules and Regulations.* – The President shall, within ten (10) days after the organization of the Commission, issue the necessary rules and regulations for the effective implementation of this Act.

SEC. 17. *Transfer of Operating Funds, Records, Assets and Liabilities.* – All operating funds, records, properties, other assets and liabilities of the Task Force on the Rehabilitation of Areas Affected by the Eruption of Mt. Pinatubo created under Presidential Memorandum Order No. 369, Series of 1991, as amended, are hereby transferred to the Commission.

SEC. 18. *Separability Clause.* – If any provision of this Act shall be held unconstitutional or invalid, the other provisions not otherwise affected shall remain in full force and effect.

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

SEC. 20. *Effectivity Clause.* – This Act shall take effect upon its publication in at least two (2) national newspapers of general circulation.

Approved, September 24, 1992.