Republic of the Philippines  
HOUSE OF REPRESENTATIVES  
Quezon City  

EIGHTEENTH CONGRESS  
Second Regular Session  

COMMITTEE REPORT NO. 562  
Submitted by the Committee on Veterans Affairs and Welfare on OCT 1 3 2020  
RE: House Bill No. 7871  
Recommending its approval in substitution of HB 2603.  
Sponsors: Representatives Geraldine B. Roman and Resurreccion M. Acop, MD  

Dear Speaker:  

The Committee on Veterans Affairs and Welfare to which was referred House Bill No. 2603, introduced by Representatives Resurreccion M. Acop, MD and Leonardo L. Babasa, Jr. entitled:  

“AN ACT DECLARING THE BOARD OF TRUSTEES FOR THE VETERANS OF WORLD WAR II (BTWWII) AS A PUBLIC OFFICE AND THE FUNDS ENTRUSTED TO IT AS PUBLIC FUNDS, AMENDING FOR THE PURPOSE REPUBLIC ACT NO. 3518”  

has considered the same and recommends that the attached House Bill No. 7871 entitled:  

“AN ACT DECLARING THE BOARD OF TRUSTEES FOR THE VETERANS OF WORLD WAR II (BTWWII) A PUBLIC OFFICE AND THE FUNDS ENTRUSTED TO IT AS PUBLIC FUNDS, AMENDING FOR THE PURPOSE REPUBLIC ACT NO. 3518, AS AMENDED, OTHERWISE KNOWN AS ‘AN ACT CREATING THE PHILIPPINE VETERANS BANK AND FOR OTHER PURPOSES’”  

be approved in substitution of HB 2603, and with Representatives Resurreccion M. Acop, MD., Leonardo L. Babasa Jr., Geraldine B. Roman, Manuel DG Cabochan III, and Hector S. Sanchez as authors thereof.  

Respectfully submitted,  

GERALDINE B. ROMAN  
Chairperson  
Committee on Veterans Affairs and Welfare
Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City, Metro Manila

EIGHTEENTH CONGRESS
Second Regular Session

HOUSE BILL NO. 7871
(In substitution of HB 2603)

Introduced by Representatives RESURRECCION MARRERO-ACOP, MD, LEONARDO L. BABASA JR., GERALDINE B. ROMAN, MANUEL DG CABOCHAN III, and HECTOR S. SANCHEZ

AN ACT
DECLARING THE BOARD OF TRUSTEES FOR THE VETERANS OF WORLD WAR II (BTVWII) A PUBLIC OFFICE AND THE FUNDS ENTRUSTED TO IT AS PUBLIC FUNDS, AMENDING FOR THE PURPOSE REPUBLIC ACT NO. 3518, AS AMENDED, OTHERWISE KNOWN AS ‘AN ACT CREATING THE PHILIPPINE VETERANS BANK AND FOR OTHER PURPOSES’"

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

SECTION 1. Section 22 of Republic Act No. 3518, as amended, is hereby amended to read as follows:

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

a. Twenty (20%) percent of such net profit shall accrue to the reserve account: Provided, That should the accumulated reserves equal to or in excess of the authorized capital of the
Bank, the twenty per cent herein authorized to be accumulated shall be distributed under the subsection immediately following:

b. From the remaining eighty (80) percent of the net profit shall be deducted the guaranteed earning of the preferred shares of stock owned by individual veterans, their widows, orphans or compulsory heirs: Provided, That the share in the net profits corresponding to the Republic of the Philippines shall first be applied in payment of its capital stock subscription, until said shares shall have been fully paid. Thereafter, twenty percentum of the net profits after deducting the guaranteed earnings of the preferred shares shall be paid in cash to the Board of Trustees as hereinafter provided in Section 23 hereof for disposition and shall be available for ‘grants-in-aid’ to veterans, their widows, orphans, or compulsory heirs, for educational, social, charitable, and rehabilitation purposes, to organization doing service for the cause of the veterans, and for such other purposes beneficial to the veterans.

THE TRUST FUND HELD BY THE BOARD OF TRUSTEES AS PROVIDED FOR IN THIS SUB-SECTION, AND ALL OTHER FUNDS HELD BY THE BOARD, ARE HEREBY DECLARED AS PUBLIC FUNDS AND NOTHING HEREIN SHALL BE CONSTRUED TO MEAN OTHERWISE. THE BOARD AND ITS FUNDS ARE HEREBY DECLARED SUBJECT TO AUDIT BY THE COMMISSION ON AUDIT.

The remaining profits shall be paid as dividends on common shares held by the individual veterans as provided in Section Three of this Act.”
SEC. 2. Section 23 of same Act is hereby amended to read as follows:

"Section 23. Board of Trustees of World War II. - There is hereby created a [Board of Trustees for the Veterans of World War II] PUBLIC OFFICE to be known as "The Board of Trustees of the Veterans of World War II", consisting of eleven (11) members to be selected from among the veterans of World War II by the Supreme Council of the Veterans Federation of the Philippines organized pursuant to Republic Act Numbered Twenty-Six hundred and forty.

The Board of Trustees shall be organized within ninety (90) days after the approval of this Act. Immediately after its organization the members of the Board of Trustees shall elect from among themselves a Chairman and a Vice-Chairman. The members of the Board of Trustees shall serve without compensation other than actual and necessary expenses incurred either in attendance upon meetings of the Board or upon other official business authorized by resolution thereof, but a vote of the majority of all the members shall be necessary to authorize the disposal of the funds held by the Board.

The Board shall appoint a secretary and such necessary other officials and employees and fix their compensation."

SEC. 3. If any portion or provision of this Act or the application thereof shall be declared invalid or unconstitutional, the validity of other parts or provisions not affected thereby shall continue to be in full force and effect.

SEC. 4. All laws, decrees, executive issuances, rules and regulations inconsistent with this Act are hereby repealed or modified accordingly.
SEC. 5. This Act shall take effect fifteen (15) days after its publication in the Official Gazette or in a newspaper of general circulation.

Approved,
FACT SHEET

House Bill No. 7871
(In substitution of HB 2603)

DECLARING THE BOARD OF TRUSTEES FOR THE VETERANS
OF WORLD WAR II (BTWWII) A PUBLIC OFFICE AND THE FUNDS ENTRUSTED TO
IT AS PUBLIC FUNDS, AMENDING RA NO. 3518, AS AMENDED

Introduced by Representatives Resurreccion M. Acop, MD., Leonardo L. Babasa Jr., Geraldine B. Roman, Manuel DG Cabochan III, and Hector S. Sanchez as authors thereof.

Committee Referral: VETERANS AFFAIRS AND WELFARE
Committee Chairperson: REP. GERALDINE B. ROMAN

OBJECTIVES:

- To declare the Board of Trustees of the Veterans of World War II (BTWWII) a public office and the funds entrusted to it as public funds and as such shall be subject to government audit
- To provide transparency and accountability in the utilization of all public funds held by the BTWWII for World War II veterans

KEY PROVISIONS:

- Amends SECTION 22 of RA 3518, as amended, to declare the BTWWII funds as public funds and subject to audit by the Commission on Audit
- Amends SECTION 23 of RA 3518, as amended, by declaring the BTWWII a public office

RELATED LAWS:

- Republic Act No. 3518 — The Philippine Veterans Bank Charter
- Republic Act No. 7169 — An Act to Rehabilitate the Philippine Veterans Bank