

**Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City**

**EIGHTEENTH CONGRESS
First Regular Session**

HOUSE BILL NO. 3418



INTRODUCED BY HONORABLE ANSARUDDIN ABDUL MALIK ALONTO ADIONG

EXPLANATORY NOTE

On May 23 2017, militants brought the hostilities to various locations around the City. The entire city was put on lockdown; power and communication lines were shutdown; numerous buildings, both public and private were set on fire; and several citizens and workers were abducted. The next morning, thousands of people fled from Marawi City.

After 5 months of clashes between the government forces and the militants, Marawi City is still in ruins. It has caused social, economic, and humanitarian crises. It has resulted in the massive displacement of people, the loss of hundreds of innocent lives, loss of livelihood, employment and investments, loss of homes, destruction of public infrastructures, and fear for safety amongst the residents.

This re-filed bill seeks to grant compensation to the displaced victims whose residential houses and commercial establishments were either lost or partially destroyed during the Marawi siege. The state therefore has the moral obligation to provide concrete solutions to the concerns of the victims in the long process of reconstruction, rehabilitation, and recovery from damages brought about by the Marawi siege. To this date, any humanitarian assistance so far granted to these individuals or families could compensate for the loss or damage of their residential houses and/or business establishments.

In consideration of all the foregoing, the immediate passage of this bill is earnestly sought.

A handwritten signature in black ink, appearing to read "Adiong", written over a horizontal line.

**ANSARUDDIN ABDUL MALIK ALONTO ADIONG
1st District, Lanao del Sur**

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HOUSE BILL NO. 3418

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AN ACT
PROVIDING FOR MONETARY COMPENSATION FOR THE LOSS OR
DESTRUCTION OF RESIDENTIAL AND COMMERCIAL PROPERTIES DURING
THE MARAWI SIEGE IN THE CITY OF MARAWI, PROVINCE OF LANA DEL
SUR, APPROPRIATING FUNDS THEREFOR 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 “Marawi Siege Compensation Act”.

CHAPTER I

PRELIMINARY PROVISIONS

Section 2. *Declaration of Policy.* —

It is a declared policy of the State to protect and promote the dignity of every person and full respect for human rights, as provided in Section 11, Article II of the 1987 Philippine Constitution. Further, Section 12, Article III of the Constitution prohibits the use of force, violence, threat, intimidation, or any other mean which vitiate the free will and mandates the compensation and rehabilitation of victims of torture or similar practices, and their families.

Section 2 of Article II of the Constitution provides that the State adopts the generally accepted principles of international law as part of the law of the land. Accordingly, the Philippines adheres to international human rights conventions and laws particularly the Universal Declaration of Human Rights and the International Covenant on Civil and Political Rights, which guarantee protection of the civilian population and individual civilians, and by way of Presidential Memorandum Order No. 393 (Series 1991) and DND and DILG issued Joint Circular No. 2-91 (1991) includes damage to private property in the course of legitimate security or police operations where measures shall be undertaken to repair the damage caused.

In accordance with the United Nations Resolution on Basic Principles and Guidelines on the Right to a Remedy and Reparation, it is hereby a declared policy that it is the obligation of the State under international customary law to give due attention to the plights of victims of acts of terrorism or armed conflict through adequate, effective and prompt compensation through recognition and/or compensation of said victims and/or their families.

Section 2. *Definition of Terms.* —

- a. Compensation refers to a one-time cash payment.

b. Residential properties refer to apartments and houses, used for residential purposes and shall include not only buildings, parts or units solely places, but also those used for home industries, retail stores or other business purposes if the owner thereof and his family actually live therein and use it principally for dwelling purposes.

c. Commercial properties refer to any building that is used exclusively for commercial or business purposes.

Section 3. Monetary Compensation. — Claimants qualified under this Act shall receive compensation from the State, free of tax, as herein prescribed: *Provided*, That for a deceased residential or commercial building owner, the legal heirs as provided for in the Code of Muslim Personal Laws of the Philippines or the Civil Code of the Philippines, whichever is applicable, or such other person named by the executor or administrator of the deceased owner's estate in that order, shall be entitled to receive such compensation: *Provided, further*, That no special power of attorney shall be recognized in the actual disbursement of the award, and only the owner or the aforesaid successor(s)-in-interest shall be entitled to personally receive said compensation from the Board, unless the owner involved is shown to be incapacitated to the satisfaction of the Board: *Provided, furthermore*, That the compensation received under this Act shall be considered as a complete satisfaction of the loss or destruction of home/s or building/s sustained by the owner thereof, unless Congress, by law, provides for additional monetary compensation to be awarded to said owner.

Section 5. Source of Monetary Compensation. - A total amount of Fifty Billion Pesos (Php 50,000,000,000.00) shall be appropriated for the compensation of qualified claimants.

For purposes of this Act, the initial amount of Ten Billion Pesos (P10,000,000,000.00) is hereby authorized to be included in the annual General Appropriations Act.

For its subsequent annual funding for the remaining four (4) years of implementation, Twenty Billion Pesos (P20,000,000.00) shall come from the Philippine Charity Sweepstakes Office (PCSO) and Twenty Billion Pesos (P20,000,000.00) from the Philippine Amusement and Gaming Corporation (PAGCOR).

The Board shall ensure that funds appropriated or those which may have become available as compensation for qualified claimants are properly disbursed in accordance with the policies stated by Congress and relevant rules, regulations and accounting procedures.

SEC. 6. Entitlement to Monetary Reparation. — Any owner of residential house, commercial building or other properties in Marawi qualified under this Act shall receive compensation from the State, free of tax, as herein prescribed: *Provided*, that in case the claim is for a property covered by issuance, the compensation receivable under this act shall only be to the extent not covered by insurance: *Provided further*, That for the deceased owner of said properties, the legal heirs as provided for in the Code of Muslim Personal Laws of the Philippines or the Civil Code of the Philippines, whichever is applicable, or such other person named by the executor or administrator of the deceased owner's estate in that order, shall be entitled to receive such compensation: *Provided, furthermore*. That no special power of attorney shall be recognized in the actual disbursement of the award, and only the owner or the aforesaid successor[(s)]-in-interest shall be entitled to personally receive said compensation of the Board, unless the owner involved is shown to be incapacitated to the satisfaction of the Board: *Provided, finally*. That the compensation received under this Act shall be considered as a complete satisfaction of the loss or destruction of the properties sustained by the owner thereof, unless Congress provides for additional monetary reparation to the said owner[s].

CHAPTER II

THE MARAWI COMPENSATION BOARD

Section 7. *Board for the Compensation of the Marawi Siege, Its Creation and Composition and Secretariat.* – There is hereby created a Board of Compensation under the Department of Housing and Urban Development, hereinafter referred to as the Board, to be composed of one (1) Chairman and two (2) members to be appointed by the Secretary of the said Department.

There shall also be created a Secretariat, whose task is to perform the primary function of identifying and monitoring the legitimate claimants who shall be eligible for compensation under this Act, and such other functions as may be defined by the Board.

Section 8. *Powers and Functions.* – The Board shall have the following powers and functions:

- a) Receive all claims under this act together with the pertinent documents to such claims;
- b) Investigate, process, and determine the validity of all claims filed within thirty (30) days after submission thereof;
- c) Exercise administrative control and supervision of the Secretariat through an Executive Director;
- d) Conduct an independent administrative hearing and resolve application for compensation or deny the same;
- e) Disburse any and all compensation to qualified claimants at the earliest possible time, *Provided* that in all cases, such disbursement must be made within thirty (30) days after the Board has rendered its decision;
- f) Promulgate rules and regulations in order to carry out the objectives of this Act.
- g) Perform such other functions as will be necessary for the implementation of this Act.

Section 9. *Resolution of Claims.* – The Board shall resolve the claim for compensation within thirty (30) working days after the filing of the application.

Section 10. *Secretariat of the Board.* – The Board shall be assisted by a Secretariat which may come from the existing personnel of the Department of Housing and Urban Development, without prejudice to the hiring of additional personnel as determined by the Board to accommodate the volume of required work. The following shall be the functions of the Secretariat:

- (a) Receive, evaluate, process and investigate applications for claims under this Act;
- (b) Recommend to the Board the approval of applications for claims;
- (c) Assist the Board in technical functions; and
- (d) Perform other duties that may be assigned by the Board.

The Chairperson of the Board shall appoint an Executive Director who shall head the Secretariat for the duration of the existence of the Board. There shall be a Technical Staff Head assisted by two (2) legal officers and (2) paralegal officers; and an Administrative Staff Head assisted by three (3) Administrative Support Staff.

When necessary, the Board may hire additional contractual employees to augment the services of the Secretariat: *Provided*, That the maximum contract amount per year shall not exceed more than fifteen percent (15%) of the total annual operating budget of the Board.

Section 11. *Operational Budget of the Board.* – For purposes of this Act, the initial amount of Ten Million Pesos (P10,000,000.00) is hereby authorized to be appropriated from the funds of the National Treasury not otherwise appropriated.

The subsequent annual funding shall be included in the Department's budget under the General Appropriations Act.

Section 12. *Powers and Functions of the Board.* – The Board shall have the following powers and functions:

- a. Receive, evaluate, process and investigate applications for claims under this Act;
- b. Issue subpoena/s *ad testificandum* and subpoena/s *duces tecum*;
- c. Conduct independent administrative proceedings and resolve disputes over claims;
- d. Approve with finality all eligible claims under this Act;
- e. Deputize appropriate government agencies to effectively perform its functions;
- f. Promulgate such rules as may be necessary to carry out the purposes of the Act, including rules of procedure in the conduct of its proceedings, with the Revised Rules of Court of the Philippines having suppletory application;
- g. Exercise administrative control and supervision over its Secretariat;
- h. At its discretion, may consult the organizations mentioned in Section [9] 7 herein; and
- i. Perform such other duties, functions and responsibilities as may be necessary to effectively attain the objectives of this Act.

CHAPTER III

CLAIMANTS AND COMPENSATION

Section. 13. *Claimants.* — Lawful owners or possessors who have been displaced from their residential house/s or commercial building/s or both, located in Marawi City, which were destroyed or damaged either totally or partially on the occasion of the Marawi siege may file a claim with the Board for monetary compensation in accordance with the provisions of this Act.

Section 14. *Determination of monetary compensation.* —

- (a) The Board shall determine the monetary compensation and award to the lawful owner/s based on the fair market value of the residential house or commercial building at the time of the Marawi siege.
- (b) Within thirty (30) days after the Board has approved with finality each eligible claim pending before it and after due publication of such legitimate claim, the award of monetary compensation shall take effect: *Provided*., That any pending appeal filed by an aggrieved claimants before the Board must resolved by it sixty (60) days before the Board becomes *functus officio*.

(c) The qualified claimants shall use the monetary compensation exclusively for the construction or restoration of the lost or damaged residential or commercial building.

(d) The qualified claimants shall report to the Board within six (6) months from receipt of the monetary compensation proof/s of its use.

CHAPTER IV

GENERAL PROVISIONS

Section 15. *Publication.* — The Board, after having been duly convened, shall set the period for the commencement and termination of applications by homeowners or building owners and cause the publication of the same: *Provided*, that such period shall only become operative fifteen (15) days after its publication in two (2) newspapers of general circulation.

Section 16. *Period for Filing of Claims; Waiver.* — A claimant shall file an application for monetary compensation with the Board within six (6) months from the effectivity of the implementing rules and regulations (IRR) of this Act: *Provided*, That failure to file an application within said period is deemed a waiver of the right to file the same: *Provided, further*, That for homeowners or building owners who are deceased, incapacitated, or missing due to the armed conflict in Marawi City, their legal heir/s or representatives, shall be entitled to file an application for compensation on their behalf.

Section 17. *Appeal.* — Any aggrieved claimant or oppositor may file an appeal within ten (10) calendar days from the receipt of the Resolution of the Board whose decision shall then become final and executory.

Section 18. *Penalties; Applicability of the Revised Penal Code.* — Any claimant who is found by the Board, after due hearing, to have filed a fraudulent claim or violated any provision of this Act, shall be referred to the appropriate office for prosecution. If convicted, he shall suffer the imprisonment of six (6) to twelve (12) years, shall be disqualified from public office and employment and shall be deprived of the right to vote and be voted for in any national or local election, even after the service of sentence unless granted absolute pardon.

Any member of the Board and its Secretariat, public officer, employee of an agency or any private individual mandated to implement this Act, who shall misuse, embezzle or misappropriate the funds for monetary compensation under this Act or who shall commit fraud in the processing of documents and applications of claimants, or shall conspire with any individual to commit the same, shall also be prosecuted,

Any member of the Board and its Secretariat, public officer, employee of an agency or any private individual mandated to implement this Act, who may have been found guilty of committing any or all of the prohibited acts stated in the preceding paragraph, or those acts punishable under the Revised Penal Code, shall be penalized under the pertinent provisions in the Code and relevant special penal laws.

CHAPTER V

FINAL PROVISIONS

Section 19. *Guidelines for the Implementing Rules and Regulations (IRR).* — In implementing this Act and in formulating the corresponding rules and regulations, and to ensure that all applications are properly screened, the Board must provide for:

(a) Transparency in the processing of the claims;

(b) A procedure that allows any concerned party to oppose an application or claim on the ground that it is fraudulent, fictitious or spurious and gives that party the opportunity to question the same and to present evidence in support thereof; and

(c) A procedure that is speedy and expeditious without sacrificing any of the parties' fundamental rights.

Within fifteen (15) days from the date of its organization, the Board shall promulgate the necessary IRR and procedures for the effective implementation of this Act. The IRR shall be effective fifteen (15) days after its publication in two (2) national newspapers of general circulation.

Section 20. *Joint Congressional Oversight Committee.* — There is hereby created a Joint Oversight Committee to oversee, monitor and evaluate the implementation of this Act.

The Oversight Committee shall be composed of five (5) members each from the Senate and from the House of Representatives, including Chairs of the Committees on Housing and Urban Development, and Appropriation of both Houses. The membership of the Committee for every House shall have at least two (2) opposition or minority members.

Section 21. *Mandatory Evaluation and Review.* — By the end of five (5) years, the Board shall conduct a mandatory review and submit a midterm report to Congress as to the status of implementation of this Act.

Section 22. *Work Period; Sunset Clause.* — The Board shall complete its work within five (5) years from the effectivity of the IRR promulgated by it. After such period, it shall become *functus officio*.

Section 23. *Separability Clause.* — If, for any reason, any section or provision of this Act is declared unconstitutional or invalid, such other sections or provisions not affected thereby shall remain in full force and effect.

Section 24. *Repealing Clause.* — All laws, decrees, executive orders, rules and regulations or parts thereof inconsistent with any of the provisions of this Act, are hereby repealed, amended or modified accordingly.

Section 25. *Effectivity Clause.* — This Act shall take effect fifteen (15) days after its complete publication in the *Official Gazette* or in at least two (2) national newspapers of general circulation.

Approved.