

SEVENTEENTH CONGRESS OF THE REPUBLIC)
OF THE PHILIPPINES)
First Regular Session)

HOUSE OF REPRESENTATIVES
H. No. 1459

HOUSE OF REPRESENTATIVES	
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REGISTRATION UNIT BILLS AND INDEX SERVICE	

Introduced by Representative Herminio Harry L. Roque Jr.

EXPLANATORY NOTE

Wars have inspired changes in our government's contracting system. Given the nature of preparing for and implementing military action and reconstruction efforts, the government has frequently sought and continues to seek goods and services from private contractors successfully to fulfill its mission. Whether the result of necessity or a response to prevailing public sentiments, the changes to the procurement system that follow resonate throughout the government contracting community.

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 or services, directly or indirectly, connected with a war, military action, or relief or reconstruction activities.¹



HERMINIO HARRY L. ROQUE JR.

¹ This bill was originally filed by Senator Miriam Defensor-Santiago during the Sixteenth Congress, First Regular Session.

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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 willfully--

(a) Executes or attempts to execute a scheme or artifice to defraud the Philippine Government;

(b) Materially overvalues any goods or services 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 (₱100,000.00) or imprisonment of not less than six (6) years but not more than twelve (12) years, or both, upon the discretion of the court.

If the offender is an alien, he or she 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 or she shall, in addition to the penalty prescribed herein, suffer the penalty of cancellation of his or her naturalization certificate and its registration in the civil register 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.

In case the violation is committed 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,

A handwritten signature in black ink, appearing to be 'H. W. L.' or similar, written in a cursive style.