Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City, Metro Manila

THIRTEENTH CONGRESS
First Regular Session

House Bill No. 566

Introduced by Honorable ROILO GOLEZ

EXPLANATORY NOTE

On October 1967, Republic Act No. 5173 was enacted in recognition of the need for a guardian of sea safety considering the geography and topography of the country. Thus, the Philippine Coast Guard (PCG) was established with a mandate to promote safety of life and property at sea, protect the marine environment and enforce all applicable laws within the high seas and waters subject within the country's jurisdiction.

To avoid heavy expenditures, the PCG was initially placed under the Philippine Navy with the intention of establishing it as a separate and distinct civilian agency. This intent was not realized when the Coast Guard became a military unit under the Philippine Navy. Through the years, the Navy has taken steps to professionalize the Coast Guard in preparation for its eventual separation, while inculcating in it positive military values and discipline.

The Navy has in fact nurtured the Coast Guard but its full professional development still hinges on its transformation into a distinct service under a civilian department of government. After 29 years under a military set-up, the PCG has developed the expertise, organization and infrastructure, and attained the experience and maturity necessary in the performance of its functions as an independent organization to adopt to rapidly changing developments in the maritime environment.

Inspite of these gains, compelling events necessitate a review of the PCG's organization. Costly accidents and at sea with thousand of lives lost, unabated environmental degradation, destruction of marine resources, deadly red tide, and the recent fishkills at Manila Bay and Laguna Lake have made the separation of the Philippine Coast Guard relevant, timely and imperative.

To effect the original intent of the Philippine Coast Guard, there is a need to amend Republic Act No. 5173 to separate the PCG from the PN and attach the same to the Department of Transportation and Communication. Freed from its defense-oriented functions, the PCG will be able to concentrate on its functions of Maritime Safety Administration, Marine Environmental Protection, Maritime Search and Rescue, and Maritime Law Enforcement.

The proposed transfer will achieve the original intentions of having a unified and integrated approach to the country's maritime safety and water transport development programs. This will lend progress and stability to the maritime industry and hasten the development of a strong maritime support and reaction system. This measure seeks to complement earlier efforts under Executive Order 477 (series of 1998) which transferred the Philippine Coast Guard to the Department of Transportation and Communications.

Immediate passage of the measure is earnestly requested.

ROILO GOLEZ

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House Bill No. **566**

Introduced by the Honorable ROILO GOLEZ

AN ACT
AMENDING REPUBLIC ACT NUMBERED 5173, OTHERWISE KNOWN AS AN ACT CREATING A PHILIPPINE COAST GUARD, PRESCRIBING ITS POWERS AND FUNCTIONS, APPROPRIATING THE NECESSARY FUNDS THEREFOR AND FOR OTHER PURPOSES BY ESTABLISHING A SEPARATE AND DISTINCT PHILIPPINE COAST GUARD SERVICE ATTACHED TO THE DEPARTMENT OF TRANSPORTATION AND COMMUNICATIONS AND FOR OTHER PURPOSES

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

SECTION 1. ***Title.*** – This Act shall be known and cited as the "Philippine Coast Guard act of 2004."

SEC. 2. ***Establishment.*** – The Philippine Coast Guard, Philippine Navy, hereinafter referred to as PCG-PN, is hereby established as a separate and distinct service unit attached to the Department of Transportation and Communications.

SEC. 3. ***General Powers and Functions.*** – The PCG shall be responsible for maritime safety administration, marine environmental protection, maritime search and rescue, including the enforcement of all applicable laws upon the high seas and waters subject to the jurisdiction of the Republic of the Philippines. It shall likewise continue to perform such other functions as provided for under Republic Act No. 5173.

SEC. 4. ***Organizational, Operational and Command Structure.*** – The PCG shall consist of uniformed and non-uniformed personnel with defined Coast Guard Table of Organization and Equipment, specialties, ranks, ratings, and *plantilla* positions per Section 5 hereof.

Upon the effectivity of this Act, the Secretary of the Department of Transportation and Communications, hereinafter referred to as the Secretary, shall exercise administrative supervision as well as operational control over the transferred, merged and/or absorbed units of the PCG: *Provided* That, the President of the Republic of the Philippines may, during national emergencies, revert operational control to the Secretary of the Department of National Defense: *Provided further* That, the PCG shall continue to support the existing seaborne requirements of the various government agencies.

The PCG shall be headed by a Commandant with a rank profile subject to the recommendation of the Secretary and as may be approved by the President.

SEC. 5. ***Personnel Administration.*** – A. The following shall be observed in appointments and promotions:

1) For all PCG officers through the approval by the President upon the recommendation of the Secretary;

2) For all PCG enlisted personnel through the approval of the Commandant, PCG: *Provided* That, they shall receive the same base pay, longevity pay, and other allowances and benefits as are presently or may hereafter be, authorized for corresponding grades and ranks in the Armed Forces of the Philippines until such time as may otherwise be provided by law or executive order;

3) For all non-uniformed personnel in accordance with the Civil Service Law and existing rules and regulations.

B. The retirement of PCG uniformed personnel shall be in accordance with Presidential Decree No. 1638, as amended. Uniformed personnel shall continue to be members of the Armed Forces of the Philippines' Retirement and Separation Benefit System (RSBS) as well as other AFP health services and financial institutions until such time as the PCG is able to establish its own retirement system.

C. The PCG shall adopt the military justice system for discipline and order until such time as its own code for uniformed personnel shall have been promulgated except for all PCG non-uniformed personnel who shall be covered by the Civil Service Law and existing rules and regulations.

SEC. 6. ***Phases of Implementation.*** – The implementation of this Act shall be undertaken in three (3) phases, to wit:

Phase I – Exercise of option by the uniformed members of the Philippine Coast Guard/Philippine Navy (PCG/PN) to be completed within three (3) months from the date of the effectivity of this Act. At the end of this phase, all personnel from the PCG/PN shall have been covered by official orders assigning them to the PCG-DOTC.

Phase II – Approval of the table of organization and equipment of PCG-DOTC under this Act, preparation and filling up their staffing pattern, transfer of assets of the PCG/PN through a Transfer and Liquidation Committee responsible for the disposition and appropriate inventory thereof to include its vessels, armaments, vehicles and all accessories, buildings, real estates, lighthouses and other properties and records to the Department and organization of the PCG, to be completed within six (6) months from the effectivity date hereof. At the end of this phase, all personnel to be absorbed by the Department shall have been issued appointment papers, and the organized PCG shall be fully operational.

The PCG/PN officers and enlisted personnel who have not opted to join the PCG-DOTC shall be re-assigned to the Navy, or shall be allowed to retire under existing AFP rules and regulations.

Phase III – Adjustment of ranks and establishment of one (1) lineal roster of officers and another for non-officers, and the rationalization of compensation and retirement systems, taking into consideration the existing compensation schemes and retirement and separation benefit systems of the AFP, to ensure that no member of the PCG shall suffer any diminution in basic longevity and incentive pays, allowances and retirement benefits due them before the creation of the PCG-DOTC, to be completed within nine (9) months from the effectivity of this Act. To accomplish the tasks of Phase III, a Board of Reviewers shall be created, composed of the following: Secretary as Chairman, one (1) representative from the Coast Guard, the Philippine Navy, Civil Service Commission, and the Department of Budget and Management.

The Incumbent Commandant of the PCG/PN shall continue to act as Commandant of the PCG-DOTC until such time as he shall have been replaced by the President.

SEC. 7. ***Application of Civil Service Laws.*** – The civil Service Law and its implementing rules and regulations shall apply to all personnel of the PCG-DOTC.

SEC. 8. ***Funding.*** – For purpose of organizing and constituting the PCG-DOTC, and for carrying out the provisions of this Act, the appropriations of the abolished, transferred, or reconstituted offices for the current fiscal year shall be transferred to the Department. Thereafter, such amounts as may be necessary to carry out the provisions of this Act shall be included in the annual General Appropriations Act.

SEC. 9. ***Implementing Rules and Regulations.*** – Within ninety (90) days from the effectivity of this Act, the Secretary shall promulgate rules and regulations necessary to ensure the effective implementation of this Act.

SEC. 10. ***Mandatory Review.*** – The Philippine Merchant Marine Rules and Regulations (PMMRR) which provides the tenets of maritime safety and marine environmental protection shall periodically be reviewed to accommodate the advancements made in maritime technology.

SEC. 11. ***Separability Claus.*** – If any portion or provision of this Act is declared unconstitutional, the same shall not affect the validity and effectivity of the other provisions not affected thereby.

SEC. 12. ***Repealing Clause.*** – All laws, decrees, executive orders, rules and regulations, and other issuances or parts thereof which are inconsistent with this Act are hereby repealed, amended, or modified accordingly.

The provisions of Executive Order No. 125, as amended by Executive Order No. 125-A shall remain valid insofar as they are not inconsistent with the provisions of this Act.

SEC. 13. ***Effectivity.*** – This Act shall take effect fifteen (15) days following its publication in two (2) national newspapers of general circulation.

Approved,