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REPUBLIC OF THE PHILIPPINES
HOUSE OF REPRESENTATIVES
Quezon City



THIRTEENTH CONGRESS
First Regular Session

HOUSE BILL No. 606

Introduced by REP. FRANCIS G. ESCUDERO

EXPLANATORY NOTE

This is a refiled bill seeking to avoid the injustices inflicted upon government retirees who do not receive their retirement benefits within a reasonable period after the date of their retirement by providing for the payment of such monetary benefits on the date actual date of an employee's retirement.

It has been a common grievance of retiring government employees that the processing of their papers takes too long, moving at snail's pace. Even if the have their retirement papers processed on time, on the day of their retirement, they are yet unable to receive monetary benefits granted them by law pending the final completion of the process. This slow process has reportedly bred corruption and inefficiency in the concerned offices, particularly with additional requirements now imposed by law such as Ombudsman's Clearance (aside from court and Prosecutor's clearance.)

Government employees are normally not as highly paid compared to those in the private sector. Most of them have no other source of income and are living dependents. It is thus understandable that delays in the receipt of retirement benefits, especially delays extending to several months or years, would cause serious financial hardships to them and their families. We can imagine untold suffering of retirees expecting to make practical investments out of their retirement pay or have pressing needs or obligations to be settled or satisfied, only to be frustrated by such delay, even forcing some to borrow from usurers. And when finally these monies are received, the retirees are already deeply in debt or the sum received

could no longer be profitably invested. If this measure is implemented, such delays with all its deplorable consequences would be avoided, and at the same time, opportunities for graft and corruption in government are further curtailed by making it mandatory for the government agencies concerned to release the retirement pay on the day of the employees' retirement. Such mandatory provision would merely reaffirm the underlying philosophy behind the retirement laws, i.e. that financial benefits granted to government employees are but a way of compensating and recognizing the long years of dedicated service to the public and as added incentive to attract the best minds and the most capable people into the government workforce. Our jurisprudence reflects a most liberal interpretation of retirement laws to give full effect to their beneficial aspects. Let this proposed measure then, further reinforce that liberal policy towards a most effective implementation of its vital retirement provisions.

In view of the foregoing reasons, the immediate approval of this Bill is strongly requested.

FRANCIS G. ESCUDERO

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AN ACT
MANDATING THE PAYMENT OF RETIREMENT BENEFITS TO GOVERNMENT RETIREES ON THE DATE OF THEIR RETIREMENT

Be it enacted by SENATE and HOUSE OF REPRESENTATIVES of the Philippines in Congress assembled:

SECTION 1. The heads of all government agencies bureaus and corporations shall see to it that the processing of the papers of all their employees under compulsory and optional retirement, shall be completed three (3) months before the date of their retirement, and for this purpose, immediately after the filing of application of retirement, shall notify or inform the retirees of the required papers and documents, and for them to submit the same within six (6) months before their date of retirement.

SECTION 2. No clearance from the Provincial or City Prosecutor nor from Ombudsman shall required; a Court Clearance shall be sufficient for the retirement of government employees: *Provided, further:* That any administrative case against a government employee shall be terminated at least three (3) months before the date of his retirement; and *Provided, further:* That any administrative case filed against a compulsory retiree

within three (3) months before his date of retirement shall be considered a harassment suit unless otherwise found meritorious by the head of office or agency concerned.

SECTION 3. The government offices, bureaus and agencies or corporations concerned shall see to it that the funds shall be made available to the Government Service Insurance System (GSIS) for the payment of benefits and gratuities of their retiring employees at least three (3) months before the date of their retirement.

SECTION 4. The GSIS shall expedite the processing of the retirement papers of all government retirees to ensure that the latter shall receive their retirement benefits and gratuities on the day of their actual retirement.

SECTION 5. Penal clause. Any head of office, and/or the General Manager of the GSIS who fails to comply with the provisions of this Act shall be punished with imprisonment of six (6) years and one (1) days of prison mayor and shall suffer perpetual disqualification to hold public office.

SECTION 6. Repealing clause. All laws decrees, orders, issuances or regulations inconsistent with the provision of this Act are hereby repealed or amended accordingly.

SECTION 7. Effectivity clause. This Act shall take effect after fifteen (15) days following its publication in two (2) newspapers of general circulation.

Approved,