

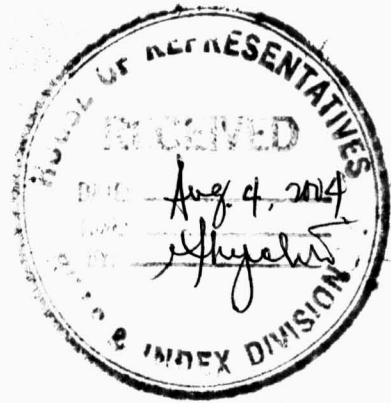
Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City

THIRTEETH CONGRESS

First Regular Session

HOUSE BILL NO. 2096

Introduced by HON. AMADO T. ESPINO, JR.



EXPLANATORY NOTE

On October 10, 1967, in recognition for the need for a guardian of sea safety, Republic Act No. 5173 was enacted creating the Philippine Coast Guard (PCG) with the 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 to the jurisdiction of the Republic of the Philippines.

The Coast Guard was made a military unit under the Navy. Cognizant of this intent, 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. Through all the years, the Navy has nurtured the Coast Guard but its full professional development still hinges primarily on its transformation into a distinct service under a civilian department of government. After thirty-one (31) years under the military set-up, the PCG has developed the expertise, organization and infrastructure, and attained the experience and maturity necessary in the performance of its function as an independent organization to adopt to rapidly changing developments in the maritime environment.

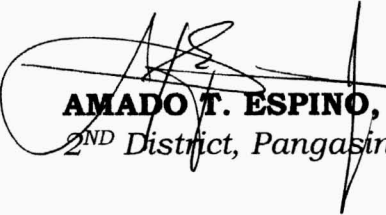
In 1998, pursuant to Executive Order No. 477, the PCG was separated from the Navy and transferred to the Department of Transportation and Communications. Sections 3 and 4 thereof provides that the AFP Law, rules and regulations shall govern matters pertaining to pay, allowances and other benefits until such time that the PCG is able to come up with its own system.

The State, as an organization, is mandated to enact laws and prescribe regulations that will promote the general welfare of the people. Consistent with the compensation policy enunciated under Section 5 of

Article IX-B of the Constitution, the bill would provide additional benefits to members of the PCG who are not covered under Republic Act No. 9166 (An Act Promoting the Welfare of the Armed Forces of the Philippines by Increasing the Rate of Base Pay and Other Benefits of Its Officers and Enlisted Personnel, and For Other Purposes) in view of their transfer as a attached agency/Key Budgetary Item unit of the Department of Transportation and Communications. The PCG's transfer to the DOTC enhances the PCG's unique status as a uniformed commissioned service operating outside the military organization and working under the umbrella of a civilian department thereby making it *sui generis* ie., in a category of its own. Hence, a system peculiar to the PCG is an imperative.

This Bill seeks to guarantee the well-being and welfare of both the individual and the group of which he is a part by integrating, increasing and rationalizing the base pay and other social welfare benefits of Philippine Coast Guard (PCG) personnel.

In view of the importance of this bill, its immediate passage is earnestly requested.



AMADO T. ESPINO, JR
2ND District, Pangasinan

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HOUSE OF REPRESENTATIVES
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HOUSE BILL NO. 2096

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**AN ACT
PROMOTING THE WELFARE OF THE PHILIPPINE COAST
GUARD BY INCREASING, INTEGRATING AND
RATIONALIZING THE BASE PAY AND OTHER BENEFITS
OF ITS OFFICERS AND ENLISTED PERSONNEL, AND FOR
OTHER PURPOSES**

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

PRELIMINARY TITLE

CHAPTER I

GENERAL PROVISIONS

SECTION 1. *Short Title.* – This Act shall be known as the “**Magna Carta of the Philippine Coast Guard.**”

SECTION 2. *Declaration of Policy.* – It is the policy of the State to insure the well-being and economic security of the individual and to promote the gratification and welfare of both the individual and the group of which he is a part, by enhancing professionalism in the Philippine Coast Guard (PCG).

SECTION 3. *Statement of Objectives.* - It is the objective of this Act to ensure reforms in the organization of the PCG by bestowing to every personnel the enjoyment of basic rights and privileges in his career in the Coast Guard service and upon retirement thereof.

Thus, the State shall:

- a. Promote and maintain a rationalized and professionalized Coast Guard service through a highly standardized recruitment and selection process, manpower and in-service training, moral values formulation with the grant and prompt utilization of financial and equipment resources;
- b. Facilitate administrative and financial support to every PCG personnel and/or to his family facing any criminal or civil suit arising from service-related "acts of omissions" and in the course of his duty by according him a considerable support allowed within the limits set by law;
- c. Promote and develop a rational system of career promotion and advancement based on merit and a uniform criteria, applicable to every PCG personnel regardless of mode of entry in the Coast Guard service;
- d. Develop every Coast Guard personnel to be highly competent and professional by institutionalizing the PCG as a strong cohesive and well-balanced bureau of the government;
- e. Assure the rights of every PCG personnel to security of tenure, just and humane working condition and the exercise of expressions of legitimate grievances done in good faith without fear of reprisal and retaliation from his superior officers; and coordinative, cooperative and functional working relationship with the community and other entities/offices whether public or private, in order to encourage their participation in carrying out the PCG mandates and objectives.

SECTION 4. *Statutory Construction of Law in favor of Coast Guard Personnel.* – All doubts in the interpretation of the provisions of this Act shall be construed in favor of Coast Guard personnel.

SECTION 5. *Applicability.* – The PCG Uniformed Personnel shall be under the auspices of the Department of Transportation and Communications but shall not be covered by the Civil Service Commission. Every uniformed personnel of the PCG shall undergo corresponding PCG eligibility examination.

All rights, privileges and benefits granted under this Act shall be equally applied to all members of the PCG, commissioned or non-commissioned, except as may be provided herein.

CHAPTER II

RIGHTS, DUTIES AND RESPONSIBILITIES

SECTION 6. *Rights.* – Every PCG personnel is guaranteed to enjoy:

- a. The right to equal opportunity in promotion and assignment. Every PCG personnel shall have the same uniform requirements for the advancement of his career in the PCG: Provided that the right to promotion and other career advancement may be denied during the pendency of an administrative, criminal or civil suit;
- b. The right to receive continuing in-service quality education and training programs relevant to the thrust and focus of the Coast Guard service. These programs shall mold him as a true “pillar and vanguard” of the Philippine waters;
- c. The right not be discriminated upon against: assignments, promotions, receipts of merits and commendations, enjoyment of study grants, and other health and educational benefits. He shall further enjoy all rights, privileges and benefits available in the Coast Guard service regardless of the institution he graduated from and/or by any reason of his social affiliation, religion or vocation;
- d. The right to present his complaints and grievances to his superior officer for the immediate redress thereof;
- e. The right to join a legitimate and recognized organization or institution that will truly enhance and promote the exercise of his duties and responsibilities; and
- f. The right to undertake activities designed to enhance and develop his well-being as a person with dignity and as an exemplar to society.

SECTION 7. *Duties and Responsibilities.* – Every member of the PCG shall:

- a. Either collectively or individually exert effort to carry out his duties and responsibilities in the most professional manner and within the bounds of law;
- b. Implement the missions set forth by the PCG without fear of physical or legal reprisal, adverse criticism, expectation of monetary award, promotion in rank, and receipt of merits and commendations;
- c. Remain apolitical and give his loyalty and cooperation only to the duly constituted authorities.

- d. Develop his potentials by undergoing continuing educational training relevant to his position in the service and/or occupational skill;
- e. Uphold the dignity and prestige of the service;
- f. Promote and maintain the stability of the service by observing the PCG hierarchy, respecting the rank and position of every member, practicing the written and unwritten customs and traditions pertaining to the mode of discipline and observing harmonious and civil working relationship with fellow members of the Coast Guard service and the other members of the government bureaucracy, as well as the civilian populace.
- g. Exercise his rights, duties and obligations with the knowledge that he shall be responsible for any breach or violation of the public trust reposed upon him and the rights of others dealing directly or indirectly with the Coast Guard; and
- h. Observe and respect with fidelity the constitutional and human rights of the people he ought to protect and serve to the best of his ability.

SECTION 8. *Performance and Evaluation.* – A uniform and equitable performance and evaluation system for all uniformed PCG personnel shall be established and administered by the PCG. Such system shall be administered with the aim of inculcating professionalism, efficiency and discipline to every member of the Coast Guard service. The accomplishment of tasks and mission shall always be subordinated to the constitutional and human rights of an individual.

SECTION 9. *Appointment of PCG Officers.* – All appointments of PCG officers, except those on the Technical Service, shall be to the lowest rank of *Coast Guard Ensign*, who must be a baccalaureate degree holder. The President shall approve such initial appointments from a list submitted by the Commandant, PCG upon the recommendation of the PCG Recruitment and Selection Board for Officers. (The list shall contain the names of those who meet the admissions criteria set by the Board.)

SECTION 10. *Appointment of PCG Enlisted and Non-uniformed Personnel.* – Upon the approval of the DOTC Secretary, the Commandant, PCG shall appoint all PCG enlisted personnel in accordance with rules and regulations to be promulgated by the PCG Recruitment and Selection Board for Enlisted Personnel: *Provided* that, he must be a holder of Baccalaureate Degree or its equivalent in a course related to Coast Guard functions. The Commandant, PCG, on the other hand, shall appoint non-uniformed employees in accordance with Civil Service Rules and Regulations.

SECTION 11. *Promotion of PCG Officers.* – The Commandant, PCG shall recommend to the President, through the DOTC Secretary the promotion of PCG officers

who are *best qualified* for appointment to the submitted by the PCG Officers Selection and Promotion Board: Provided, that he must have completed the required schooling and training relevant to said grade/rank "in position", and have complied with the minimum time in grade based on approved PCG Rules and Regulations and other relevant laws: Provided, furthermore, the pendency of any administrative or criminal case before any court, body or tribunal shall be a bar for promotion or assignment: Provided, finally, that special or meritorious promotion shall be extended to any member of the PCG for acts of inconspicuous courage and gallantry at the risk of his life above and beyond the call of duty.

SECTION 12. *Promotion of PCG Enlisted Personnel and Non-uniformed Employees.* – The Commandant shall promote PCG enlisted personnel to the next higher rank based on the recommendation of the PCG Selection and Promotion Board for Personnel. The promotion of non-uniformed employees shall be governed by Civil Service laws, rules and regulations: Provided, that no member of the PCG shall be eligible for promotion to the next higher rank position unless he had successfully passed a corresponding promotional examination. He must have completed the required schooling and training relevant to said *position*, and must have complied with the minimum time in grade based on approved PCG Rules and Regulations and other relevant laws: Provided, further, that a quota for the rank is available: Provided, that the pendency of any administrative or criminal or civil case before any court, body or tribunal shall be a bar for promotion or assignment: Provided, finally, that special or meritorious promotion shall be extended to any member of the PCG for acts of inconspicuous courage and gallantry at the risk of his life above beyond the call of duty and/or outstanding achievement in the Coast Guard service as determined by the PCG Selection and Promotion Board.

CHAPTER III

HOURS OF WORK, REMUNERATION, WELFARE, HEALTH CARE AND

INJURIES BENEFITS

SECTION 13. *Duty Hours.* – PCG personnel shall be on call 24 hours a day but is required to render minimum service of 8 hours a day except on scheduled duty or during red alert or national emergencies;

SECTION 14. *Salary Scale.* – The PCG shall have a salary scale separate and distinct from other agencies of the government to attract the best and the competent in the Coast Guard service. The salary scale shall be reviewed every 3 years or depending on economic fluctuations necessitating progressive adjustments thereof.

SECTION 15. *Criteria for Salaries.* - PCG personnel's salaries shall correspond to the following criteria:

- a. Salary shall automatically increase with those in the service of the government or those paid in other occupations or profession requiring equivalent or similar qualifications, training and abilities regardless of position or rank;
- b. Salary shall ensure that the lowest rank and position receives an amount which will enable him and his family to afford a reasonable and decent standard of living; and
- c. Basic monthly salary shall exclude the subsistence allowance, cost of living allowance, quarters allowance, clothing allowance, hazard pay, amelioration pay, health care pay and all other allowances as may be provided under existing laws.

SECTION 16. *Cost of Living Allowance.* - PCG personnel's salaries shall keep pace with the rise in the cost of living which shall automatically follow changes in cost-of-living index as determined by competent government agencies.

SECTION 17. *Peculiar Allowances.* - In areas wherein PCG personnel are exposed to hardship or other hazards usual to the performance of its mandated functions and established to be peculiar to any given area or place of assignment, as determined by the PCG, he shall be compensated with sea duty, flying pay, instructor's duty pay, hazardous pay and/or special hardship allowance.

SECTION 18. *Other Allowances.* - In addition to the basic monthly salary, PCG uniformed personnel shall be entitled to subsistence allowance, quarters allowance, clothing allowance, additional compensation allowance, personnel emergency relief allowance, health care allowance, hazard pay, laundry allowance and other allowances as may be provided for by law.

SECTION 19. *Longevity Pay.* - PCG personnel shall be entitled to a longevity pay of ten percent (10%) of their basic month pay for every five (5) years of service in the government, which shall be computed from the date of the member's first appointment in the government service: Provided, that the maximum longevity pay shall not exceed fifty (50%) percent of the basic monthly pay.

SECTION 20. *Medical Health Care Program.* - There shall be a medical health care program for PCG personnel, non-uniformed personnel and their direct dependents, including parents and parents-in-law. The medical health care program may be government-operated or a combination of government and private health management organization.

SECTION 21. *Educational Benefit.* - The PCG shall formulate plans to improve the educational qualifications of PCG personnel and their dependents in accordance with existing laws, rules and regulations and/or in the absence thereof shall recommend to legislative bodies the enactment thereof.

SECTION 22. *Housing Assistance Program.* – The PCG, in coordination with appropriate government agencies shall establish a special housing assistance program for PCG personnel with the objective of ensuring that every personnel has a home that is structurally sound, environmentally safe, affordable and located in a wholesome community.

SECTION 23. *Compensation for Physical and Mental Injuries Sustained in the Course of Duty.* – PCG personnel shall be protected against the consequences of employment injuries. Physical and psychological stresses on the member's health are recognized as compensable occupational diseases, in accordance with existing laws.

SECTION 24. *Permanent Physical Disability.* – A uniformed member who incurs a total permanent disability in line of duty and has rendered a total of twenty (20) years of continuous active duty in the Coast Guard service shall be compulsorily retired: Provided, that upon his compulsory retirement, he shall be entitled to a retirement pay pursuant to Section 29 of this Act.

SECTION 25. *Disability Benefits.* – Any member and his dependents shall be entitled to all benefits relative to the member's permanent incapacity, as may be Provided for under this Act or other existing laws.

SECTION 26. *Leaves.* – In addition to leave privileges enjoyed under existing laws, PCG personnel shall also be entitled to the following:

- a. Study leave, with pay not exceeding two (2) years: Provided, that no grantee shall be allowed to accumulate more than two (2) years of study leave except when he needs an extra semester to complete and defend his thesis for a graduate study in a degree relevant to his being a member of the Coast Guard service.
- b. An indefinite leave of sick absence which shall be granted to an ailing member whose medical treatment requires more than one (1) year of continued treatment.

Leave with pay shall be chargeable against his leave credits. Leave without pay shall not be granted whenever the personnel has leave with pay to his credit.

Leaves shall be cumulative and any part thereof which may not be taken within the calendar year in which earned may be carried over the succeeding years. Whenever a uniformed personnel retires, voluntarily resigns or is allowed to resign or is separated from the service through no fault of his own, he shall be entitled to the commutation of all the accumulated leaves to his credit.

CHAPTER IV

SEPARATION, RETIREMENT AND DEATH BENEFITS

SECTION 27. *Separation Benefits.* – PCG personnel who has served continuously for at least five (5) years and who is separated through no fault of his own or voluntarily resigns shall be entitled to a separation pay equivalent to one (1) month salary for every year of service in addition to the commutation of all the accumulated leaves to his credit.

SECTION 28. *Retirement in the Next Higher Rank.* – Uniformed members, for the purpose of retirement pay, shall be retired one (1) rank higher than the last permanent rank held.

SECTION 29. *Retirement Benefits.* – Monthly retirement pay shall be sixty five (65%) of the base pay and longevity pay pursuant to Section 26 in case the retiree has rendered at least twenty (20) years of continuous active Coast Guard service, increasing by two and one-half percent (2 ½ %) for every year of actual Coast Guard service pay rendered beyond the initial twenty (20) of ninety percent (90%) for thirty-six (36) years of active Coast Guard service and over: Provided, that the retiree shall have the option to receive in advance a lump sum of his retirement equivalent to the first five (5) years of his retirement pay as it accrues: Provided, further, that the payment of the lump sum shall be made within six (6) months from the effectivity date of his retirement; Provided, finally, that the retirement pay of all uniformed members shall be subject to adjustment to the prevailing scale of base pay of members still in the active service.

SECTION 30. *Death Benefits.* – A uniformed member's heirs and dependents shall be entitled to all benefits relative to the member's death, as provided in this Act and other existing laws.

SECTION 31. *Additional Welfare Benefits.* – Subject to the provisions of existing laws, and other rules and regulations, the Commandant, PCG may formulate and implement welfare schemes that are deemed beneficial to all members of the PCG.

CHAPTER V

AMENDATORY AND FINAL PROVISIONS

SECTION 32. *Implementation.* – The implementation of this Act shall be undertaken in staggered phases, but not to exceed two (2) years, taking into consideration the financial position of the national government: Provided, that any partial implementation shall be uniform and proportionate for all ranks.

SECTION 33. *Implementing Rules and Regulations.* – The PCG shall formulate and prepare the rules and regulations necessary to implement the provisions of this Act.

All rules and regulations so formulated shall be liberally construed in favor of the PCG personnel so as to give him the greatest degree of benefits that can be derived from this Act. Implementing rules and regulations of this Act shall take effect fifteen (15) days after its publication in the University of the Philippines Law Center.

SECTION 34. *Budgetary Estimates.* – The Commandant, PCG shall submit to Congress, through the Secretary of Transportation and Communications, the annual budgetary estimates to implement the provisions of this Act shall be included in the General Appropriations Act. In no case shall the budget implementing this Act allotted for a given fiscal year be less than that of the previous fiscal year.

SECTION 35. *Separability Clause.* – If any Section or any part of this Act is declared unconstitutional by competent authority, the remaining Sections or parts of this Act which are not affected thereby shall continue to be in full force and effect.

SECTION 36. *Repealing Clause.* – All laws, presidential decrees, executive orders, letters of instructions, and rules and regulations that are inconsistent with the provisions of this Act are hereby repealed or modified accordingly.

SECTION 37. *Effectivity.* – This Act shall take effect fifteen (15) days after its publication in the Official Gazette or in any newspaper of general circulation.

Approved,