

Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City

SIXTEENTH CONGRESS
First Regular Session

HOUSE BILL NO. **1174**



Introduced by HON. PHILIP A. PICHAY

EXPLANATORY NOTE

Since its creation under Commonwealth Act No. 186, the Government Service Insurance System (GSIS) has undergone transformations in order to better serve its clientele – the public sector officials and employees. The more notable of such improvements were instituted under Presidential Decree No. 1146. In 1997, a new law, Republic Act No. 8291 (The Government Service Insurance Act of 1997) was passed incorporating greater enhancements in the GSIS law thereby benefiting even further workers in the public sector.

Notably, however, a segment of public servants was apparently left out and deprived of the benefits attendant to membership in the GSIS. The GSIS law and its Implementing Rules and Regulations fail to recognize the services of those who heed the call of public service despite being beyond the mandatory retirement age. In such cases, their policies are terminated and the GSIS refunds to them only their personal share for life and retirement contributions without interest.

The adage that "wine tastes better with age" applies to these individuals who bring into their offices their long years of experience, knowledge and skills which redound to the benefit of the public they serve. This proposed measure intends to accord them with certain benefits by mandating the refund of all life insurance and retirement premiums remitted to the Government Service Insurance System (GSIS), with the applicable legal interest, including their personal share and the government counterpart.

For some, this may only be a symbolic recognition of their untiring dedication to public service. But for the majority of them, the amounts refunded would go a long way in helping them cope with the challenges of old age, without additional cost for the GSIS.

In view of the foregoing, the immediate consideration and approval of this bill is earnestly requested.


PHILIP A. PICHAY



Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City

SIXTEENTH CONGRESS
First Regular Session

HOUSE BILL NO. 1174

Introduced by HON. PHILIP A. PICHAY

**AN ACT
MANDATING THE REFUND OF GOVERNMENT SERVICE INSURANCE SYSTEM (GSIS)
PREMIUMS TO PERSONS ELECTED OR APPOINTED TO PUBLIC/GOVERNMENT
POSITIONS AFTER REACHING THE MANDATORY RETIREMENT AGE
AND FOR OTHER PURPOSES**

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

SECTION 1. It is hereby declared the policy of the State to recognize the contribution to nation-building of individuals who render government service after reaching the mandatory retirement age in the public sector.

SEC. 2. Any person who is elected or appointed to a public/government office after reaching the mandatory retirement age in the public sector, shall, upon his separation from such office, be refunded all life insurance and retirement premiums remitted to the Government Service Insurance System (GSIS), with the applicable legal interest, including both his personal and the government shares.

SEC. 3. The immediately preceding section shall apply only to the following:

1. Any person who, at the time of his election to public office, already reached the mandatory retirement age or more, including the period/s of his re-election to the same position or election to another public office, with or without interruption. This provision covers elected officials from the local to the national levels.
2. Any person appointed to a government position by the President of the Republic of the Philippines who, at the time of his appointment, already reached the mandatory retirement age or more.

SEC. 3. Any laws, decrees, ordinances or rules and regulations which are inconsistent with or contrary to the provisions of this Act are hereby amended or repealed.

SEC. 4. This Act shall take effect fifteen (15) days after its complete publication in at least two (2) national newspapers of general circulation.

Approved,