

Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City, Metro Manila
SIXTEENTH CONGRESS
FIRST REGULAR SESSION
HOUSE BILL NO. 3412



Introduced by **Honorable Oscar "Richard" S. Garin, Jr.**
1st District, Iloilo

"AN ACT FURTHER AMENDING SECTION 9 OF PRESIDENTIAL DECREE No. 1146 AND SECTION 1 OF REPUBLIC ACT No. 8291, OTHERWISE KNOWN AS "GSIS LAW OF 1997", AND FOR OTHER PURPOSES"

EXPLANATORY NOTE

As written, Presidential Decree No. 1146 as amended by Republic Act No. 8291 otherwise known as the GSIS Law of 1997 appears to have created a system of inequality between elected local officials and permanent employees in the civil service. This is so because under the prevailing law, GSIS members who have rendered less than fifteen (15) years of government service are not entitled to any pension.

The Local Government Code of 1991 limits the tenure of elected local officials to three (3) consecutive terms or a total of nine (9) years. Hence, after serving their constituents for the entire duration of their 9-year tenure – competently, if one may say, taking into account that the sovereign electorate generously re-elected such official for three (3) consecutive terms – the local chief executive or member of a local *sanggunian* is left holding a proverbial empty bag. He retires without enjoying the fruits of his labor as he is excluded from the financial security offered by a government pension through the GSIS. That is, in sum, the sad and iniquitous reality besetting our local elected officials.

The proposed bill seeks to address this iniquity. Under the amendments herein introduced a GSIS member who is an elected local official and has served for at least nine (9) consecutive years shall be entitled to the same benefits being received by an appointed government employee who has rendered service for at

least fifteen (15) years, thus placing a public servant holding an elective position on even footing with a public servant holding an appointive position. Thus, the provisions of Presidential Decree No. 1146 as amended by Republic Act No. 8291 are herein sought to be refined by the proposed amendment.

Any apprehension whether the proposed amendment violates the equal protection clause of the Constitution should be readily dispelled. This constitutional imperative, while dictating that "all persons similarly situated should be treated alike, both as to rights conferred and responsibilities imposed and that it requires public bodies and institutions to treat similarly situated individuals in a similar manner" this same rule promotes a valid distinction between classes of persons and allow such persons in different classes to be treated differently provided that such classification is reasonable, viz: "(1) The classification rests on substantial distinctions; (2) It is germane to the purpose of the law; (3) It is not limited to existing conditions only; and (4) It applies equally to all members of the same class."

Thus, in the final reckoning, it is respectfully submitted that there appears to be public interest sub-served when we make a reasonable distinction between government officials holding elective positions and those holding appointive positions since essentially, the purpose of Presidential Decree No. 1146 and Republic Act No. 8291 is to provide a reasonable financial safety net for a public servant upon retirement from service.

It is earnestly prayed that this measure be given due consideration.



OSCAR "RICHARD" S. GARIN, JR.

¹ Biraogo vs. Truth Commission, G.R. No. 192935. December 7, 2010, En Banc.

² Beltran v. Secretary of Health, 512 Phil 560, 583 (2005) cited in G.R. No. 192935. *Ibid.*

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

Section 1. Section 9 of Presidential Decree No. 1146 as amended by Section 1 of Republic Act No. 8291 is hereby further amended to read as follows:

"SECTION 9. Computation of the Basic Monthly Pension. — (a) the basic monthly pension is equal to:

- 1) thirty-seven and one-half percent (37.5%) of the revalued average monthly compensation; plus
- 2) two and one-half percent (2.5%) of said revalued average monthly compensation for each year of service in excess of fifteen (15) years: Provided, That the basic monthly pension shall not exceed ninety percent (90%) of the average monthly compensation.
- 3) ELECTED OFFICIALS OF LOCAL GOVERNMENT UNITS WHO HAVE SERVED FOR AT LEAST NINE (9) CONSECUTIVE YEARS SHALL BE ENTITLED TO THE BENEFITS MENTIONED IN PAR. 1 HEREIN, SUBJECT TO SUCH RULES, REGULATIONS AND REQUIREMENTS PROMULGATED BY THE GSIS.

"(b) The basic monthly pension may be adjusted upon the recommendation of the President and General Manager of the GSIS

and approved by the President of the Philippines in accordance with the rules and regulations prescribed by the GSIS: Provided, however, That the basic monthly pension shall not be less than One thousand and three hundred pesos (P1,300.00): Provided, further, That the basic monthly pension for those who have rendered at least twenty (20) years of service after the effectivity of this Act shall not be less than Two thousand four hundred pesos (P2,400.00) a month. PROVIDED FINALLY, THAT ELECTED OFFICIALS OF LOCAL GOVERNMENT UNITS WHO HAVE SERVED FOR AT LEAST NINE (9) CONSECUTIVE YEARS SHALL LIKEWISE BE ENTITLED TO SUCH MONTHLY PENSION AND CORRESPONDING ADJUSTMENTS AS MAY BE HERETOFORE IMPLEMENTED."

Section 2. Appropriations. — The amount necessary to carry out the provisions of this Act shall be included in the respective annual budgets of the national legislature and local government units in the fiscal year immediately following the promulgation and adoption by the GSIS such implementing rules and regulations necessary to carry out the provisions of this Act.

Section 3. Implementing Rules and Regulations. — The GSIS shall promulgate such implementing rules and regulations necessary to carry out the provisions of this Act within ninety (90) days from approval hereof.

Section 4. Separability Clause. — Should any provision of this Act or any part thereof be declared invalid, the other provisions, so far as they are separable from the invalid ones, shall remain in force and effect.

Section 5. Effectivity. — This Act shall take effect fifteen (15) days after its publication in the Official Gazette or in at least two (2) newspapers of general circulation.

Approved,