

SIXTEENTH CONGRESS OF THE)
REPUBLIC OF THE PHILIPPINES)
First Regular Session)



HOUSE OF REPRESENTATIVES

House Bill No. 3437

Introduced by Representative Catalina "Baby" G. Leonen-Pizarro

Explanatory Note

On December 14, 1988 Congress enacted into law Republic Act No. 6686 entitled as "AN ACT AUTHORIZING ANNUAL CHRISTMAS BONUS TO NATIONAL AND LOCAL GOVERNMENT OFFICIALS AND EMPLOYEES STARTING CY 1988."

It provided for a Christmas bonus equivalent to one month basic salary and additional cash gift of One Thousand Pesos for each government worker who have rendered at least four months of service from January 1 to October 31 of the same year.

On December 22, 1997, almost a decade from passing the afore-cited statute, Congress likewise legislated Republic Act 8441 entitled "AN ACT INCREASING THE CASH GIFT TO FIVE THOUSAND PESOS (P 5,000.00) AMENDING FOR THE PURPOSE CERTAIN SECTIONS OF REPUBLIC ACT NUMBERED SIX THOUSAND SIX HUNDRED EIGHTY-SIX, AND FOR OTHER PURPOSES."

It gradually increased the cash gift from One Thousand Pesos to Five Thousand Pesos in staggered basis, Two Thousand Pesos for the Christmas 1997, Three Thousand Pesos for the Christmas year 1998, Five Thousand Pesos for the Christmas 1999 and thereafter. Further, cash gift payments were granted in accordance on length of service of each government worker based on a graduated scale.

On June 17, 2009 the Senate and the House of Representatives approved Joint Resolution No. 4 to wit:

"To authorize the President of the Philippines to modify the existing Compensation and Position Classification System of civilian personnel and Base Pay Schedule of military and uniformed personnel and to initially implement

the same effective July 1, 2009, and in the case of local government units (LGUs) to take effect January 1, 2010."

It increased the monthly basic pay of all government workers in staggered basis within a period of four consecutive years.

Inasmuch as monthly basic salary of each public servant has been augmented, a corresponding cash gift increase from P 5,000.00 to P 10,000.00 as Christmas bonus is wanting for every civil servant. It tends to recognize the exemplary service of each servant, Christmas rejoicing and the idea that the State truly cares for state workers down to the local government officials and employees.

Estimated government personnel stands at around 1,300,000 including the military and police . Around 800,000 employees from the 2nd and 3rd levels belong to the professionals/technical group. While the rest from the 1st level, co-terminous employees, casual, contractual and elective officials.

The Christmas bonus law was passed in 1988 under the incumbency of the late and revered former President Corazon C. Aquino as her lasting gift to the bureaucracy. Today, more than twenty five years since then, and after some amendments in 1997, a revitalized Christmas bonus law is needed to dynamically respond to the present times.

Passage of this bill is earnestly and immediately sought.



CATALINA "BABY" G. LEONEN-PIZARRO

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AN ACT

AMENDING SECTIONS 1, 2, 3, 4, AND 5 OF REPUBLIC ACT 6686, AS AMENDED BY REPUBLIC ACT NO. 8441, IMPOSING NEW PROVISIONS IN THE GRANT OF CHRISTMAS BONUS TO GOVERNMENT OFFICIALS AND EMPLOYEES AND INCREASING THE CASH GIFT FROM FIVE THOUSAND PESOS (P 5,000.00) TO TEN THOUSAND PESOS (P 10,000.00) STARTING CALENDAR YEAR TWO THOUSAND FOURTEEN (2014) AND THEREAFTER, WITH AUTOMATIC INCREASE OF FIVE THOUSAND PESOS (P 5,000.00) EVERY FIVE YEARS THEREAFTER

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

Section 1. Section 1 of Republic Act No. 6686 as amended is hereby further amended to read as follows:

"Section. 1. All officials and employees of the National Government who have rendered at least four months of service from January 1 to October 31 each year and who are employed in the government service as of October 31 of the same year shall each receive a Christmas bonus equivalent to one month basic salary and additional cash gift of TEN THOUSAND PESOS (P 10,000.00) STARTING THE CALENDAR YEAR TWO THOUSAND FOURTEEN (2014) AND THEREAFTER, PROVIDED THAT AN AUTOMATIC INCREASE OF FIVE THOUSAND PESOS (P 5,000.00) BE GRANTED EVERY FIVE (5) YEARS. "

Section 2. Section 2 of the Republic Act No. 6686 as amended, is hereby further amended to read as follows:

"Section 2. Officials and employees of the National Government who have rendered less than four months of service from January 1 to October 31 of each year and who are employed in the government service as of October 31 of the same year shall be entitled to the following percentage of ONE MONTH BASIC SALARY AND CASH GIFT:

3 months but less than 4 months	40%
2 months but less than 3 months	30%
1 month but less than 2 months	20%
Less than one month	10%

Section 3. Section 3 of Republic Act No. 6686, as amended, is hereby further amended to read as follows:

"Section 3. For CALENDAR YEAR 2014, the amount needed to implement this Act for national officials and employees, and barangay chairmen under Section 5 shall be taken from the 2014 appropriations for the Miscellaneous Personnel Benefit Fund and appropriation savings and reserves authorized BY THE GENERAL APPROPRIATIONS ACT FOR CALENDAR YEAR 2014. For the succeeding years, the amount shall be included in the annual General Appropriations Act."

Section 4. Section 4 of Republic Act No. 6686, as amended, is hereby further amended to read as follows:

"Section. 4 All officials and employees of local government units may receive the same benefits as are provided under Section 1 and 2 of this Act chargeable against their respective local funds. For CALENDAR YEAR 2014, local government units (municipalities, cities and provinces) may realign their budget to give priority to the funding requirements under this Act and any deficiency may be booked as accounts payables to be paid on a TOP priority basis in succeeding years."

Section 5. Section 5 of Republic Act No. 6686, as amended, is hereby further amended to read as follows:

"Section 5. Barangay chairmen and councilmen shall each receive one month honorarium and a cash gift of TEN THOUSAND PESOS (P 10,000.00) payable out of the funds provided for in Section 3 hereof. This shall be implemented in accordance with Section 1 and 2 of this Act."

Section 6. All laws, executive issuances and any rules and regulations inconsistent with any of the provisions of this Act are hereby deemed amended, repealed and modified accordingly.

Section 7. This Act shall take effect after fifteen (15) days from publication in the Official Gazette or in two (2) national newspapers of general circulation.

APPROVED.

