



Republic of the Philippines
House of Representatives
Quezon City, Metro Manila

SIXTEENTH CONGRESS

First Regular Session

House Bill **3948**



Introduced by ABAKADA Representative Jonathan A. de la Cruz

EXPLANATORY NOTE

It is the obligation of members of the legislature to see to it that State policies, ordained in the Constitution are transformed into tangible pieces of worthy legislation, especially, Constitutional injunctions which provides for the improvement and enhancement of the welfare of the citizenry. One such constitutional mandate states.

“The State shall, from time to time, review to upgrade the pension and other benefits due retirees of both government and private sectors (Article XVI, Section 8).”

A survey conducted of retirees who opted to retire under Republic Act No. 1616 revealed that a majority of them have been living in abject poverty, many depending on the charity and good heart of close relatives and friends. Aging personnel who retired under what ever circumstances need monthly pension and assistance but at their late age their opportunities of earning a living are already almost nil.

The lump sum they have received from RA 1616 has been greatly eroded by the lingering economic slump and high cost of living. Their economic difficulties are further aggravated when our country suffers from the devastating effects of calamities, natural or man made.

In view of the foregoing, approval of this bill is earnestly sought.

Approved,


JONATHAN A. DE LA CRUZ



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House Bill No. **3948**

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**AN ACT TO GRANT MONTHLY PENSION TO GOVERNMENT RETIREES UNDER
R.A. 1616 WHO HAVE REACHED THE AGE OF SEVENTY (70) YEARS,
APPROPRIATING FUNDS THEREFOR AND FOR OTHER PURPOSES**

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

Section 1. Declaration of Policy – The Constitution provides that the State shall, from time to time, review to upgrade the pensions and other benefits due retirees of both the government and the private sectors. As far as may be possible, it should provide to those who have less in life the opportunity to earn for their living so that they may play a more active role in social life and especially in the economic and political spheres. It is the duty of the State to create conditions which are necessary to realize the right of all citizens particularly the underprivileged the equal opportunity. To this end, the State shall grant Monthly Pension to government retirees who have availed of retirement benefits under Republic Act No. 1616.

Section 2. Definition of Terms – The following terms shall be understood in this Act to mean:

- 1) Government Service Insurance System (GSIS) – refers to the agency entrusted to take charge of all matters pertaining to the benefits and insurance claims of all government officials and employees, as created and established under Presidential Decree No. 1146 and further amended by Republic Act No. 8291;

- 2) Retiree – refers to government officials and employees who have availed of retirement benefits under Republic Act No. 1616 whose annuity corrupted in.
- 3) Monthly pension – refers to the monthly benefits to be granted to government retirees under RA 1616 as embodied in this Act, to be determined by the GSIS;

Section 3. Rules and Guidelines – To implement this Act, the Government Service Insurance System shall determine the Monthly Pension of a retiree as defined herein and formulate guidelines in the disbursement for said beneficiaries.

Section 4. Funding – The President of the Republic is hereby authorized to realign or transfer any item appropriate within the GSIS and/or utilize any savings therein to carry out the purpose of this Act. Whatever additional amount as may be needed for its implementation shall be included in the overall Appropriations Act of the ensuing Fiscal Years.

Section 5. Separability Clause – In the event of any portion of provision of this Act is declared unconstitutional, the remainder of this Act or any provisions not effected thereby shall remain in force and thereby shall remain in force and in effect.

Section 6. Repealing Clause – All other laws, decrees, rules and regulations contrary or inconsistent with the provisions of this Act are hereby repealed or modified accordingly.

Section 7. Effectivity. This Act shall take effect 15 days after its complete publication in at least two (2) newspapers of national circulation.

Approved,

