

Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City, Metro Manila

SEVENTEENTH CONGRESS

First Regular Session

HOUSE BILL NO. **5216**



Introduced by Representative Joaquin M. Chipeco, Jr.

AN ACT

FURTHER STRENGTHENING THE OFFICE OF THE SOLICITOR GENERAL, PROVIDING FOR ITS POWERS AND FUNCTIONS, AND REDEFINING, EXPANDING, AND RATIONALIZING ITS ORGANIZATION, THEREBY AMENDING REPUBLIC ACT NO. 9417 AND REPEALING REPUBLIC ACT NO. 2327, EXECUTIVE ORDER NOS. 1 AND 2, S. 1986, AND APPROPRIATING FUNDS THEREFOR

EXPLANATORY NOTE

The Office of the Solicitor General (OSG), as the law office of the Government of the Republic of the Philippines, represents the Government, its departments, bureaus, agencies and instrumentalities, and its officials and agents in their official capacity, in any litigation, proceeding, investigation, or matter requiring the services of lawyers.

The principal law office of government-owned and controlled corporations (GOCCs) is the Office of the Government Corporate Counsel (OGCC) pursuant to Republic Act (R.A.) No. 2327.

The Presidential Commission on Good Government (PCGG), which was created under Executive Order Nos. 1 and 2, s. 1986, is focused on the recovery and preservation of ill-gotten wealth, as well as the proper investigation and prosecution of cases involving the same.

In numerous instances, despite the delineation of functions between the OSG and the OGCC, cases and matters requiring the services of a lawyer are still referred by GOCCs to the OSG. On the other hand, in cases involving the recovery and preservation of ill-gotten wealth, the OSG has been representing the Republic of the Philippines since the creation of the PCGG. Hence, despite the fact that these functions are not specifically spelled out in the

OSG's mandate, the OSG, as the primary law office of the Government, continues to render legal services to GOCCs and the PCGG.

In order to achieve economy, eliminate overlapping of functions, efficiently and effectively address the expanding needs of GOCCs for legal representation, and concentrate and enhance government efforts for the full and effective recovery of ill-gotten wealth and properties, including the efficient investigation and prosecution of cases relative thereto, the legal services in the Government must be consolidated into one office. This requires the abolition of the OGCC and the PCGG, and the transfer of their powers and functions to the OSG.

The consolidation of legal services in the OSG will specifically promote the wiser and more prudent use of public funds since this will do away with the practice of the OGCC of billing client GOCCs for legal services rendered.

Further, given the formidable and sensitive legal duties of the OSG, there is a need to strengthen the institution and provide its lawyers and employees benefits and privileges already being enjoyed by their counterparts in other government offices. This will ensure that the OSG is able to faithfully, effectively, and efficiently perform its mandate to uphold State interest. Towards this end, Congress must amend the present OSG law, R.A. No. 9417.

For instance, this bill increases the number of legal divisions in the OSG from at least thirty (30) to at least fifty (50), with at least ten (10) lawyers in each division. This will result to additional plantilla positions for Solicitors in every division. The present complement of lawyers is not enough to meet the burgeoning need of the Government for legal services. To illustrate, each Solicitor handles an average of 3000 cases, a large number of which involve special proceedings, annulment of marriage, land titles, taxation, and criminal cases. These numbers will further increase once the cases being handled by the OGCC are transferred to the OSG. Hence, the present solicitors are overworked, overburdened, and are decreasing in number as some transfer to the private sector or to other government agencies. The additional Solicitors will ease the work of the present Solicitors, and ultimately contribute to the more efficient discharge of OSG's functions.

Further, this bill upgrades the qualifications for appointment, rank, category, prerogatives, salaries, allowances, emoluments, benefits, and privileges of the Solicitor General to that of an Associate Justice of the Supreme Court. While this provision does not change the Solicitor General's present salary grade of 31, it serves to enhance the prestige and honor of the position.

While R.A. No. 9417 already provides that Senior State Solicitors and State Solicitors of the OSG shall have the same rank, salaries, and privileges of trial court judges, the benefits provided for under R.A. No. 9946, such as additional retirement, survivorship, and

other benefits, are enjoyed by the members of the Judiciary only. The counterparts of senior OSG lawyers in the National Prosecution Service (NPS) and the Public Attorney's Office (PAO) also enjoy these benefits which are not available to Senior State Solicitors. There is a need to equalize the benefits and privileges received by Solicitors with that of their counterparts in the Judiciary, the NPS, and the PAO. At present, the OSG merely serves as a training ground for lawyers, as they are being lured to higher paying positions in the private sector or in other government offices. The government must provide incentives for lawyers to apply to and build their careers in the OSG, and reward those who choose to climb up the ranks and devote the best years of their working life to the OSG.

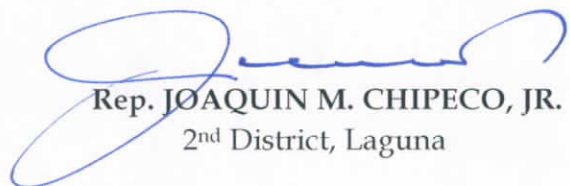
More important, given the complexity and significance of the cases they handle, Solicitors face hazards to life and limb. The brutal killing of Assistant Solicitor General Nestor J. Ballacillo, a Civil Service Dangel ng Bayan awardee, and his son Benedict, is proof of this.

The increase of the OSG's share in monetary awards or assets granted by courts or tribunals to client departments and assets adjudged to the government in forfeiture proceedings will further strengthen the OSG by increasing its source of funds to carry out the expansion and pay the mandated benefits.

Further, the grant of the authority to borrow addresses the urgent need of the OSG to acquire and construct its own office building, improve working conditions and capacity development.

Finally, the provision on retroactivity of the law will clarify the ambiguities in R.A. No. 9417 on the entitlement of Solicitors who have judicial ranks to the retirement benefits under related laws.

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



Rep. JOAQUIN M. CHIPECO, JR.
2nd District, Laguna

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

1 **SECTION 1. *Short Title.*** – This Act shall be known as the “OSG Charter.” (n)

2 **SECTION 2. *Declaration of Policy.*** – It is the declared policy of the State to
3 strengthen the Office of the Solicitor General (OSG) in order to fulfill its role of
4 upholding the best interest of the government as the Tribune of the People, as well
5 as to perform its mandate as the principal law office of the Government of the
6 Republic of the Philippines representing the Government, its departments, bureaus,
7 agencies, and instrumentalities, and its officials and agents in their official capacity,
8 in any litigation, proceeding, investigation, or matter requiring the services of
9 lawyers.

10 It is also the policy of the State to ensure efficiency and economy in the
11 operations of government, eliminate the overlapping of functions, consolidate the
12 legal services in the government into one office, effectively address the expanding
13 needs of government-owned and -controlled corporations (GOCCs) towards the
14 improvement of fiscal management and good corporate governance, and concentrate
15 and enhance government efforts for the full and effective recovery of ill-gotten
16 wealth and properties, including the efficient investigation and prosecution of cases
17 relative thereto. Towards this end, the Office of the Government Corporate Counsel

1 (OGCC) and the Presidential Commission on Good Government (PCGG) are hereby
2 abolished and their respective powers and functions are transferred to the OSG.

3 With the transfer of the powers and functions of the OGCC and the PCGG to
4 the OSG, and to ensure the efficient and effective legal representation of the
5 Government, its departments, bureaus, agencies, and instrumentalities, GOCCs, and
6 its officials and agents in their official capacity, the members of the legal and
7 administrative staff of the OSG shall be increased and their positions upgraded to
8 adequately meet the Republic's burgeoning need for legal services. The skills of OSG
9 lawyers shall be further improved, and the benefits of all OSG employees
10 augmented. The professional growth of these employees shall be encouraged. (n)

11 **SECTION 3. *Definition.*** – For purposes of this Act, the term –

12 (a) "Capacity development" shall refer to the process whereby the OSG, as
13 an organization, develops its capability over time to achieve development goals
14 while enhancing its ability to achieve measurable and sustainable results, through
15 improvement of knowledge, skills, and systems.

16 (b) "GOCCs" shall refer to government-owned and -controlled
17 corporations, their subsidiaries, other corporate offsprings, including government-
18 acquired asset corporations, government corporate entities and government
19 instrumentalities with corporate powers, government financial institutions, and
20 other government corporate entities, agencies and offices.

21 (c) "Ill-gotten wealth" shall refer to any asset, property, business
22 enterprise or material possession of the persons referred to in Executive Orders Nos.
23 1 and 2, s. 1986, acquired by them directly, or indirectly through dummies,
24 nominees, agents, subordinates, and/or business associates by any of the following
25 means or similar schemes:

- 26 (1) Through misappropriation, conversion, misuse, or malversation
27 of public funds or raids on the public treasury;
28 (2) Through the receipt, directly or indirectly, of any commission,
29 gift, share, percentage, kickbacks, or any other form of
30 pecuniary benefit from any person and/or entity in connection
31 with any government contract or project or by reason of the
32 office or position of the official concerned;
33 (3) By the illegal or fraudulent conveyance or disposition of assets
34 belonging to the government or any of its subdivisions, agencies

1 or instrumentalities, or government-owned or controlled
2 corporations;

3 (4) By obtaining, receiving, or accepting directly or indirectly any
4 shares of stock, equity, or any other form of interest or
5 participation in any business enterprise or undertaking;

6 (5) Through the establishment of agricultural, industrial, or
7 commercial monopolies or other combination and/or by the
8 issuance, promulgation, and/or implementation of decrees and
9 orders intended to benefit particular persons or special interests;
10 and

11 (6) By taking undue advantage of official position, authority,
12 relationship, or influence for personal gain or benefit. (n)

13 **SECTION 4. *Organizational Structure.*** – The Office of the Solicitor General
14 shall be an independent and autonomous office attached to the Office of the
15 President for budgetary purposes.

16 The OSG shall be headed by the Solicitor General, who is the principal law
17 officer and legal defender of the Government. He shall have the authority and
18 responsibility for the exercise of the OSG's mandate and for the discharge of its
19 duties and functions, and shall have supervision and control over the OSG and its
20 constituent units.

21 The Solicitor General shall be assisted by a Legal Staff composed of Assistant
22 Solicitors General and such number of Solicitors as may be necessary to operate the
23 OSG.

24 There shall be at least fifty (50) legal divisions in the OSG. Each division,
25 headed by an Assistant Solicitor General, shall consist of at least ten (10) lawyers and
26 such other personnel as may be necessary for the OSG to effectively carry out its
27 functions.

28
29 The administrative structure of the OSG shall be organized into the Financial
30 Management Service, Docket Management Service, Case Management Service,
31 Human Resources Management and Administrative Service, and Budget and
32 Planning Service, which shall be composed of the necessary divisions and sections.
33 Each Service shall be headed by a Director, who shall be appointed by the President.

34 There shall be an Office of Legal Services (OLS) within the OSG to be headed
35 by a Director, who shall be appointed by the Solicitor General and serve at the
36 latter's pleasure. The qualifications, salary grade, and benefits of the Director and
37 his/her legal staff shall be determined by the Solicitor General. The Director shall be

1 assisted by such other personnel as may be necessary to effectively carry out the
2 functions of the OLS.

3 **SECTION 5. Powers and Functions.** - The OSG shall represent the
4 Government of the Philippines, its agencies and instrumentalities, including GOCCs,
5 and its officials and agents acting in their official capacity, in any litigation,
6 proceeding, investigation, or matter requiring the services of a lawyer. The OSG
7 shall constitute the principal law office of the Government and, as such, shall
8 discharge duties requiring the services of a lawyer. It shall have the following
9 specific powers and functions:

10 (a) Represent the Government and the People of the Philippines in the
11 Supreme Court and the Court of Appeals in all criminal proceedings; represent the
12 Government and its officers in the Supreme Court, the Court of Appeals, and all
13 other courts or tribunals in all civil actions and special proceedings in which the
14 Government has been impleaded as a party, or any official of the Government sued
15 in the lawful performance of duty.

16 (b) Investigate, initiate court action, or in any manner proceed against any
17 person, corporation, or firm for the enforcement of any contract, bond, guarantee,
18 mortgage, pledge, or other collateral executed in favor of the Government.

19 (c) Appear in any court in any action involving the validity of any treaty,
20 law, executive order or proclamation, or rule or regulation when in his judgment his
21 intervention is necessary or when requested by the Court.

22 (d) Appear in all proceedings involving the acquisition or loss of
23 Philippine citizenship.

24 (e) Represent the Government in all land registration and related
25 proceedings. Institute actions for the reversion to the Government of lands of the
26 public domain and improvements thereon as well as lands held in violation of the
27 Constitution.

28
29 (f) Conciliate, mediate, settle, or adjudicate all disputes, claims, and
30 controversies solely between or among the departments, bureaus, offices, agencies,
31 and instrumentalities of the National Government, including GOCCs.

32 (g) Render opinion and advice on matters referred by the departments,
33 bureaus, offices, agencies, and instrumentalities of the National Government,
34 including GOCCs.

1 (h) Prepare, upon request of the President or other proper officer of the
2 National Government, rules and guidelines for government entities governing the
3 preparation of contracts, making of investments, undertaking of transactions, and
4 drafting of forms or other documents needed for official use, for the purpose of
5 facilitating their enforcement and ensuring that they are entered into or prepared
6 conformably to law and for the best interests of the public.

7 (i) Deputize, whenever in the opinion of the Solicitor General the public
8 interest requires, any provincial or city prosecutor to assist him in the performance
9 of any function or discharge of any duty incumbent upon him, within the
10 jurisdiction of the aforesaid provincial or city prosecutor. When so deputized, the
11 prosecutor shall be under the control and supervision of the Solicitor General with
12 regard to the conduct of the proceedings assigned to the prosecutor, and he may be
13 required to render reports or furnish information regarding the assignment.

14 (j) Any law to the contrary notwithstanding, the OSG shall be the legal
15 counsel and principal law office of all GOCCs. All GOCCs shall refer to the OSG the
16 following:

17 (i) Before their execution, all contracts for review; and

18 (ii) All cases for representation before regular courts, quasi-judicial
19 bodies, administrative agencies, and arbitral tribunals, *Provided*
20 *That* the Solicitor General may thereafter authorize the GOCC's
21 legal department because of urgency or expediency to appear as
22 collaborating counsel to handle GOCC's cases.

23 As legal counsel of all GOCCs, the OSG shall also perform the following
24 functions:

25 (1) Exercise control and supervision over the legal departments of
26 all GOCCs through designated Assistant Solicitors General and Solicitors;

27 (2) Exercise visitorial powers over GOCCs;

28 (3) Enforce the Property Insurance Law pursuant to Republic Act
29 No. 656, as amended by Presidential Decree 245, in domestic or international
30 transactions;

1 (4) Conduct periodic performance audits of the in-house lawyers or
2 legal departments of the GOCCs and to recommend appropriate actions to
3 GOCCs;

4 (5) Require the in-house lawyers or legal departments of GOCCs to
5 submit periodic reports of work performed and/or accomplished and to
6 supervise and control the necessary legal action; and

7 (6) Perform other functions as maybe provided by law and such
8 additional tasks as may be required by the GOCCs, with the conformity of the
9 Solicitor General. (n)

10 (k) Deputize legal officers of government departments, bureaus, agencies,
11 offices, and GOCCs to assist the Solicitor General and appear or represent the
12 Government in cases involving their respective offices, brought before the courts,
13 and exercise supervision and control over such legal officers with respect to such
14 cases.

15 (l) Call on any department, bureau, office, agency, or instrumentality of
16 the Government, including any GOCC, for such service, assistance, and cooperation
17 as may be necessary in fulfilling its functions and responsibilities and for this
18 purpose enlist the services of any government official or employee in the pursuit of
19 his tasks.

20 Departments, bureaus, agencies, offices, instrumentalities, and GOCCs to
21 whom the OSG renders legal services are authorized to disburse funds from their
22 sundry operating and other funds for the OSG. For this purpose, the Solicitor
23 General, Assistant Solicitors General, Senior State Solicitors, State Solicitors, and
24 Associate Solicitors are specifically authorized to receive allowances as may be
25 provided by the Government offices, instrumentalities, and GOCCs concerned, in
26 addition to their regular compensation. (rf. 1987 Administrative Code, Book IV, Title
27 III, Chapter 12, Sec. 35 (9))

28 (m) The powers and functions of the PCGG are hereby transferred to the
29 OSG which include the following:

30 (1) To file and prosecute all cases investigated by the PCGG under
31 Executive Order No. 1, dated 28 February 1986, Executive Order
32 No. 2, dated 12 March 1986, and Executive Order No. 432, dated
33 26 May 2005, as may be warranted by its findings;

- 1 (2) To continue handling cases relative to the recovery of ill-gotten
2 wealth and behest loans;
- 3 (3) To grant immunity from criminal prosecution to any person
4 who provides information or testifies in any investigation
5 previously conducted by the PCGG or future cases investigated
6 by the OSG, to establish the unlawful manner in which any
7 respondent, defendant or accused has acquired or accumulated
8 the property or properties in question in any case where such
9 information or testimony is necessary to ascertain or prove the
10 latter's guilt or his civil liability. The immunity thereby granted
11 shall be continued to protect the witness who repeats such
12 testimony before the Sandiganbayan when required to do so;
13 and
- 14 (4) To call upon any department, bureau, office, agency,
15 instrumentality or corporation of the government, or any officer
16 or employee thereof, for such assistance as it may need in the
17 discharge of its functions relative to recovery of ill-gotten wealth
18 and behest loans.
- 19 (n) Represent, upon the instructions of the President, the Republic of the
20 Philippines in international litigations, negotiations, or conferences
21 where the legal position of the Republic must be defended or
22 presented.
- 23 (o) Engage the services of counsel to assist in the discharge of his duties
24 and responsibilities. However, due to the fiduciary nature of the
25 relationship between the OSG and the counsel, the engagement of the
26 latter shall be exempt from Republic Act No. 9184 (Government
27 Procurement Reform Act) and Presidential Decree 1445 (Government
28 Auditing Code of the Philippines).
- 29 (p) Act and represent the Republic and/or the people before any court,
30 tribunal, body, or commission in any matter, action, or proceeding
31 which, in his opinion, affects the welfare of the people as the ends of
32 justice may require;
- 33 (q) Acquire, own, hold, or lease real and personal property; sell or
34 otherwise dispose of the same; enter into contracts including loan
35 agreements and joint venture agreements; and do and perform any and

all acts that may be necessary or proper to carry out the purposes of this Act. (n)

(r) Provide a Legal Internship Program to help law students prepare and train for and experience legal practice in public service. (n)

(s) Perform such other functions as may be provided by law.

SECTION 6. *Abolition of the Office of the Government Corporate Counsel and the Presidential Commission on Good Government.* – The legal representation of the Government, its agencies, and instrumentalities, including GOCCs, and officials and agents acting in their official capacity, and the powers and functions of the PCGG shall be consolidated in the OSG, the principal law office and legal defender of the Government. For this purpose, the OGCC and the PCGG are hereby abolished, and all the powers and functions of said Offices which are not inconsistent with the provisions of this Act are hereby transferred to the OSG.

After settlement of its liabilities, if any, all budgetary appropriations, funds, properties, records, equipment, rights, choses in action, and other assets of the OGCC and the PCGG are hereby transferred to the OSG. (n)

SECTION 7. *Appointments.* – The Solicitor General shall be appointed by the President.

The Assistant Solicitors General, Senior State Solicitors, and State Solicitors shall be appointed by the President upon recommendation of the Solicitor General. Associate Solicitors shall be appointed by the Solicitor General.

The Financial Management Service, Docket Management Service, Case Management Service, Human Resources Management and Administrative Service, and Budget and Planning Service shall each be headed by a Director to be appointed by the President upon the recommendation of the Solicitor General. The Service Heads shall possess the necessary CES eligibility and qualifications for the position prescribed under pertinent civil service laws, rules, and regulations: *Provided*, that if a Service Head who does not possess the necessary eligibility and qualifications is occupying the position at the time of the effectivity of this Act, he or she shall continue to perform such functions as officer-in-charge and shall have a maximum of two (2) years to comply with the said eligibility and qualifications: *Provided, further*, that if the Service Head fails or is unable to meet the eligibility and

1 qualifications for the position after the lapse of two (2) years from effectivity of this
2 Act, he or she shall be *ipso jure* removed from said position. (n)

3 Administrative personnel in the OSG shall be appointed by the Solicitor
4 General.

5 **SECTION 8. *Standards.*** - The Solicitor General shall have the rank of a
6 Cabinet Secretary and the same qualifications for appointment, rank, category,
7 prerogatives, salaries, allowances, emoluments, privileges, retirement-and all other
8 benefits of an Associate Justice of the Supreme Court; an Assistant Solicitor General,
9 those of an Associate Justice of the Court of Appeals.

10 The qualifications for appointment, rank, category, prerogatives, salaries,
11 allowances, emoluments, privileges, retirement and all other benefits of Solicitors
12 shall be the same as judges, specified as follows:

Senior State Solicitor - Regional Trial Court Judge

State Solicitor II - Metropolitan Trial Court Judge

13 State Solicitor I - Municipal Trial Court in Cities Judge

14 The Solicitor General shall be entitled to the same retirement benefits and
15 privileges as an Associate Justice of the Supreme Court, provided he has served in
16 such capacity for at least two (2) years. Such retirement benefits and privileges shall
17 accrue to him or her upon reaching the age of sixty (60) years.

18 Assistant Solicitor Generals, Senior State Solicitors, State Solicitors II, and
19 State Solicitors I shall be entitled to the same retirement benefits and privileges as
20 their counterparts in the Judiciary upon reaching the age of sixty (60) years,
21 provided that they have served in such capacities for at least five years. An
22 Assistant Solicitor General, Senior State Solicitor, State Solicitor II, and State Solicitor
23 I may opt to serve up to the age of seventy (70) years.

24 The Solicitor General shall determine the qualifications, prerogatives, and
25 responsibilities of the Associate Solicitors.

26 **SECTION 9. *Office of Legal Services.*** - The OLS shall have the following
27 functions:

1 (a) Represent the Solicitor General, Assistant Solicitors General, State
2 Solicitors, Associate Solicitors, and all other employees of the OSG who are
3 impleaded in their official capacity in any litigation, proceeding, investigation, or
4 matter requiring the services of a lawyer;

5 (b) Draft proposed legislative measures to strengthen the OSG and enable
6 it to efficiently and effectively discharge its mandate for submission by the Solicitor
7 General to Congress and/or to the President of the Philippines;

8 (c) Conduct research on legal issues that may be assigned by the Solicitor
9 General; and

10 (d) Perform such functions and duties as may be assigned by the Solicitor
11 General. (n)

12 **SECTION 10. *Capacity Development.*** – In order to build and develop the
13 capability of the OSG as an organization to achieve development goals, as well as
14 enhance its abilities to achieve measurable and sustainable results, the Solicitor
15 General, in consultation with the Assistant Solicitors General, shall formulate,
16 develop, and implement plans, activities, and programs towards the improvement of
17 knowledge, skills, and systems. To achieve this objective, the Solicitor General may
18 by himself authorize OSG lawyers to travel anywhere in the Philippines and abroad
19 to attend seminars, fora, conferences, or lectures on different areas of law, pleadings
20 and practice in international courts and tribunals, public-private partnerships, and
21 public corporate governance, among others. The Solicitor General may also
22 authorize the administrative staff of the OSG to undergo relevant training to
23 improve their skills.

24 **SECTION 11. *Compensation.*** – The salary grades of the Solicitor General,
25 Assistant Solicitors General, Senior State Solicitors, State Solicitors, and Associate
26 Solicitors shall be as follows:

POSITION	SALARY GRADE
Solicitor General	31
Assistant Solicitor General	30
Senior State Solicitor	29
State Solicitor II	28
State Solicitor I	27
Associate Solicitor III	26
Associate Solicitor II	25
Associate Solicitor I	24

1 The Solicitor General, Assistant Solicitor General, and Solicitors shall be
2 entitled to step increments and longevity pay which shall be equivalent to those
3 being received by their counterparts in the judiciary.

4
5 The positions and salaries of non-legal personnel in the OSG shall be in the
6 level of their counterparts in the Court of Appeals.

7 **SECTION 12. *Benefits and Privileges.*** — The OSG shall provide its
8 employees with the following benefits:

9 (1) Health care services through a health maintenance organization (HMO).
10 Expenses for the mandatory annual executive check-up of the Solicitor General, the
11 Assistant Solicitors General and OSG officials whose positions correspond to Salary
12 Grade 28 and above shall be for the account of the OSG;

13 (2) Hazard pay, as well as accident insurance policies procured by the OSG at
14 its own expense to protect its officials while they are in the performance of their
15 official duties and functions;

16 (3) Without prejudice to efficiency in the service, scholarships to deserving
17 employees on official time and at the expense of the OSG to enhance their academic
18 growth and upgrade their knowledge and skills. Scholarships under this provision
19 shall be granted on the basis of competitive examination. Scholars shall be required
20 to render service in the OSG upon immediate completion of the program, course or
21 degree, in accordance with applicable Civil Service laws, rules and regulations.

22 (4) A provident fund which shall consist of contributions made both by the
23 OSG and by its lawyers and employees to a common fund for the payment of
24 benefits to such lawyers or employees or their heirs;

25 (5) Other perquisites and benefits as enjoyed by other government offices or
26 as may be determined by the Solicitor General in the exigencies of the service and in
27 accordance with law. (n)

28 **SECTION 13. *Seminar and Other Professional Fees.*** — Subject to the
29 availability of funds, fees for relevant seminars, as well as professional membership
30 fees for lawyers, registration fees, and related miscellaneous expenses incurred in
31 completing the mandatory continuing legal education (MCLE) course shall be borne
32 by the OSG: *Provided*, that the lawyer whose membership fees/dues to the Integrated

1 Bar of the Philippines (IBP) have been paid up or reimbursed by the OSG, shall
2 maintain his or her service in the OSG for at least five (5) years: *Provided, further, that*
3 should the lawyer resign or in any manner sever his or her service from the Office,
4 he or she shall be required to reimburse the paid up IBP membership dues/fees in
5 *pro rata.* (n)

6 Professional membership, registration fees, including those for mandatory
7 continuing professional education (CPE), and related miscellaneous expenses of
8 other employees holding positions for which a professional license is required by the
9 office shall also be borne by the OSG.

10 **SECTION 14. *Survivorship Benefits; Coverage.*** -Upon the death of a Solicitor
11 General, Assistant Solicitor General, Senior State Solicitor, State Solicitor, or an
12 Associate Solicitor of the OSG, if said official had retired or was in the service at the
13 time of death, the surviving legitimate spouse and dependent children, or in their
14 absence, the surviving parents of said official shall be entitled to receive on a
15 monthly basis all the retirement benefits that the deceased official was receiving or
16 entitled to receive at the time of death under the provisions of the applicable
17 retirement laws. A "dependent" means a legitimate, illegitimate, or legally adopted
18 child who is chiefly dependent with the above-enumerated deceased officials if such
19 dependent is not more than twenty-one (21) years of age, unmarried and not
20 gainfully employed or if such dependent, regardless of age, is incapable of self-
21 support because of mental or physical defect. The surviving legitimate spouse shall
22 continue to receive such retirement benefits during his or her lifetime or until he or
23 she remarries: *Provided, that* if the surviving legitimate spouse is receiving benefits
24 under existing retirement laws, the surviving legitimate spouse shall only be entitled
25 to the difference between the amount provided for in this Act and the benefits the
26 surviving spouse has been receiving: *Provided, further, that* said benefits shall be
27 granted to all aforementioned members of the OSG who died or retired prior to the
28 effectivity of this Act: *Provided, furthermore, that* the surviving legitimate spouse
29 receiving the benefit shall not, if he or she is a member of the Bar, appear as counsel
30 before any court in any civil case wherein the Government or any subdivision or
31 instrumentality thereof, including GOCCs, is the adverse party, or in any criminal
32 case wherein an incumbent or former officer or employee of the Government is
33 accused of an offense committed in relation to his or her office, or collect any fee for
34 his or her appearance in any administrative proceeding; and when the surviving
35 legitimate spouse shall assume an elective public office, he or she shall not, upon
36 assumption of office and during his or her term, receive the said survivorship
37 benefits. (n)

1 **SECTION 15. *Grant of Special Allowances.*** — Any law to the contrary,
2 notwithstanding, the Solicitor General, Assistant Solicitors General, Senior State
3 Solicitors, State Solicitors and Associate Solicitors shall be granted special allowances
4 in amounts to be determined by the Solicitor General.

5 The grant of special allowances shall be implemented uniformly in such sums
6 and amounts and up to the extent only that can be supported by the funding source
7 specified in Section 18 (a) to (d) hereof: *Provided*, that each grant of the said special
8 allowance shall not exceed One hundred percent (100%) of the basic salary of
9 solicitors as provided in Republic Act No. 6758, otherwise known as the Salary
10 Standardization Law: *Provided, further*, that said special allowances shall be exempt
11 from income tax.

12 **SECTION 16. *Other Benefits.*** — Notwithstanding any law, or administrative
13 rule or regulation, the lawyers of the OSG are allowed to receive honoraria and
14 allowances directly from each client department, agency, and instrumentality of the
15 Government, as well as from each client GOCC for the legal services that said
16 lawyers render, which may include attendance in hearings, providing legal advice,
17 drafting of contracts and legal documents, and performing designated functions;
18 *Provided, that* said honoraria and allowances shall be exempt from income tax.

19 **SECTION 17. *Franking Privilege.*** — All official mail matters and telegrams of
20 the OSG addressed for delivery within the Philippines shall be received, transmitted,
21 and delivered free of charge: *Provided*, that such mail matters when addressed to
22 private persons or non-government offices shall not exceed one hundred twenty
23 (120) grams.

24 **SECTION 18. *Funding.*** — The funds required for the implementation of this
25 Act, including those for health care services, survivorship benefits; insurance
26 premiums, professional, educational, and registration fees; transportation benefits;
27 and other benefits and privileges mentioned in the other provisions of this Act, shall
28 be provided for in the General Appropriations Act and augmented by funds sourced
29 from the following:

30 (a) Twenty percent (20%) of monetary awards or value of assets adjudged
31 by the Courts or tribunals to client departments, agencies and instrumentalities of
32 the Government, and GOCCs, including those under court-approved compromise
33 agreements;

1 (b) Twenty percent (20%) of assets adjudged to the Government in
2 forfeiture proceedings;

3 (c) Fifty percent (50%) of fees collected by the Special Committee on
4 Naturalization; and

5 (d) All other income, fees and revenues earned and collected by the Office
6 of the Solicitor General.

7 For this purpose, the OSG is hereby authorized to charge deputation,
8 certification, and other similar fees in the cases that it handles.

9 The amounts collected pursuant to this section shall constitute a trust fund in
10 the name of the OSG to be managed and used by the Solicitor General to carry out
11 the provisions of this Act.

12 **SECTION 19. *Transfer of Cases.*** – All cases being handled by the OGCC shall
13 be transferred to the OSG: *Provided, however,* that the handling OGCC lawyer shall
14 submit a status report of all cases he or she is handling to the Solicitor General:
15 *Provided, further,* that a certification under oath that the records of the case
16 transmitted to the OSG are complete shall be made by the handling OGCC lawyer as
17 a pre-condition for receiving the separation or retirement benefits under this Act. (n)

18 **SECTION 20. *Case Migration.*** – Upon the effectivity of this Act, a transition
19 “Case Migration Committee” (CMC) shall be created composed of: three (3)
20 members from each of the respective records and docket divisions of the OSG, the
21 OGCC, and the PCGG, at least two (2) members from the legal divisions of all
22 GOCCs, and at least two lawyers each from the OSG, the OGCC, and the PCGG.

23 The CMC shall ensure the smooth turnover of all cases and legal concerns of
24 the OGCC and the PCGG to the OSG, with corresponding status reports, complete
25 records, and other relevant documents, taking care that no case or legal concern shall
26 be prejudiced in the process of turnover.

27 The CMC shall have the responsibility of determining which cases and legal
28 concerns need immediate attention or are extremely urgent. These cases and legal
29 concerns shall immediately be transferred and/or referred to the OSG.

30 The CMC shall complete its work within thirty (30) days from its constitution.
31 The CMC shall submit a comprehensive report to the Solicitor General. (n)

1 **SECTION 21. *Retirement or Separation from Service.*** – Consequent to the
2 abolition of the OGCC and the PCGG, OGCC and PCGG officials and employees
3 who have attained fifty (50) years of age and have rendered at least fifteen (15) years
4 in government service, the last five (5) years of which shall have been continuously
5 rendered in the OGCC or the PCGG, shall be qualified for retirement with full
6 retirement gratuity and pension pursuant to applicable laws. Those who lack any
7 one of the above qualifications shall receive a separation pay equivalent to one and a
8 half (1 1/2) months for every year of service in government, which will be provided
9 for in the General Appropriations Act. (n)

10 **SECTION 22. *Implementing Rules and Regulations.*** – Within thirty (30)
11 days from the approval of this Act, the Solicitor General, in coordination with the
12 Secretary of Budget and Management, shall promulgate such rules and regulations
13 as may be necessary to carry out the provisions of this Act. Until such time that the
14 rules and regulations are promulgated and Section 21 of this law is implemented, the
15 officials and administrative personnel of the OGCC and PCGG shall remain in their
16 positions in a holdover capacity.

17 **SECTION 23. *Retroactivity.*** – The retirement benefits provided for in Section
18 8 and the survivorship benefits provided for under Section 14 of this Act shall have
19 retroactive effect as of the date of effectivity of Republic Act No. 9417. (n)

20 **SECTION 24. *Appropriations.*** – The amount necessary for the initial
21 implementation of this Act shall be taken from the current appropriations of the
22 OSG and/or its savings. Thereafter, such sums as may be necessary for the
23 continued implementation of this Act shall be included in the annual General
24 Appropriations Act.

25 **SECTION 25. *Repealing Clause.*** – Pertinent provisions of Executive Order
26 No. 292, otherwise known as the Revised Administrative Code of 1987, as amended,
27 Republic Act No. 9417, and all laws, decrees, orders, rules and regulations or parts
28 thereof which are contrary to or inconsistent with the provisions of this Act are
29 hereby repealed or amended accordingly.

30 Republic Act No. 2327 entitled “An Act To Declare The Position Of
31 Government Corporate Counsel Distinct And Separate From That Of The Solicitor

1 General, Provide For His Appointment And Salary And Appropriate The Necessary
2 Funds Therefor, And For Other Purposes”, and Executive Orders No. 1 entitled
3 “Creating The Presidential Commission On Good Government” and No. 2 entitled
4 “Regarding The Funds, Moneys, Assets And Properties Illegally Acquired Or
5 Misappropriated By Former President Ferdinand Marcos ...” , s. 1986, are hereby
6 expressly repealed.

7 **SECTION 26. *Separability Clause.*** — If any provision of this Act is declared
8 invalid or unconstitutional, the provisions not affected thereby shall continue to be
9 in full force and effect.

10 **SECTION 27. *Effectivity.*** — This Act shall take effect after fifteen (15) days
11 from its publication in the Official Gazette or in at least two (2) national newspapers
12 of general circulation.

Approved,