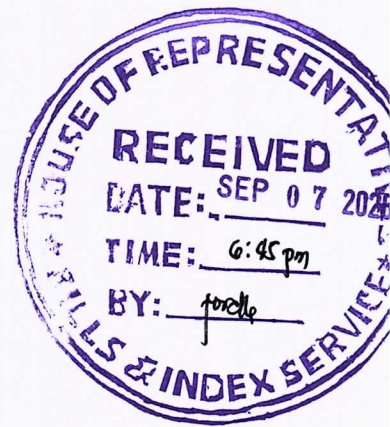


REPUBLIC OF THE PHILIPPINES
HOUSE OF REPRESENTATIVES
Quezon City



EIGHTEENTH CONGRESS
Second Regular Session

House Bill No. 7599

Introduced by **MAGDALO Party-List Representative**
HON. MANUEL DG. CABOCHAN III

EXPLANATORY NOTE

Due to economic loss, it is inevitable for some companies to downsize or shut down its operations. This results to layoffs of employees. To address this problem, Republic Act No. 11199 or the Social Security Act of 2018, was enacted to ensure the social protection of employees, including those who have lost their job due to economic fallout.

Among the landmark provisions of the Social Security Act of 2018 is the unemployment insurance or involuntary separation benefit. As stated in the law, the Social Security System (SSS) shall grant cash benefits to affected members equivalent to fifty percent (50%) of their average monthly salary credit for a maximum of two (2) months. This unemployment insurance is beneficial as workers are given economic support while looking for new job opportunities.

However, the law provides that only members who have paid at least thirty-six (36) monthly contributions are entitled to the unemployment insurance. Members who are not eligible to this requirement are left disadvantaged, making them vulnerable to financial problems in times of economic crisis and public health emergencies.

This bill seeks to expand the coverage for unemployment and involuntary separation benefits of the Social Security System Act of 2018. It intends to fill the gap in the social protection of workers who have lost their job by including unemployment benefits for members who have paid contributions for at least one year. The urgent passage of this bill is timely as many Filipinos have lost their jobs and are left without livelihood due to the COVID-19 pandemic

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



MANUEL DG. CABOCHAN III

Representative

Magdalo Para Sa Pilipino Party-List

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AN ACT

EXPANDING THE COVERAGE OF THE UNEMPLOYMENT BENEFIT PROVIDED BY THE SOCIAL SECURITY SYSTEM, AMENDING FOR THE PURPOSE REPUBLIC ACT NO. 11199, OTHERWISE KNOWN AS THE "SOCIAL SECURITY ACT OF 2018"

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

1 SECTION 1. Section 14-B of Republic Act No. 11199, otherwise known as the
2 "Social Security Act of 2018" is hereby amended to read as follows:

3
4 "*Unemployment Insurance or Involuntary Separation Benefits.*— A member
5 who is not over sixty (60) years of age [~~who has paid at least thirty-six (36) months~~
6 ~~contributions twelve months of which should be in the eighteen-month period~~
7 ~~immediately preceding the involuntary unemployment or separation~~] **WHO IS**
8 **INVOLUNTARILY UNEMPLOYED** shall be paid benefits in the form of monthly
9 cash payments equivalent to fifty percent (50%) of the average monthly salary
10 credit. [~~for a maximum of two (2) months~~] **THE UNEMPLOYMENT BENEFITS**
11 **SHALL BE PAID IN ACCORDANCE WITH THE FOLLOWING SCHEDULES:**

CONTRIBUTIONS MADE

BENEFIT DURATION

1 YEAR BUT LESS THAN 2 YEARS

2 MONTHS

2 OR MORE YEARS BUT LESS THAN 5 YEARS

3 MONTHS

5 OR MORE YEARS BUT LESS THAN 8 YEARS

4 MONTHS

8 OR MORE YEARS BUT LESS THAN 10 YEARS

5 MONTHS

10 OR MORE YEARS BUT LESS THAN 14 YEARS

6 MONTHS

Provided, That an employee who is involuntarily unemployed can only claim unemployment benefits once every three years: *Provided, further,* That in case of concurrence or two or more compensable contingencies, only the highest benefit shall be paid, subject to the rules and regulations that the Commission may prescribe."

Sec. 2. *Implementing Rules and Regulations.*— The Social Security System (SSS) shall, within sixty (60) days from the effectivity of this Act, promulgate the rules and regulations to effectively implement the provisions of this Act.

Sec. 3. *Separability Clause.*— If any portion or provision of this Act is declared unconstitutional, the remainder of this Act or any provisions not affected thereby shall remain in full force and effect.

Sec. 4. *Repealing Clause.*— Any law, presidential decree or issuance, executive order, letter of instruction, rule or regulation inconsistent with the provisions of this Act is hereby repealed or modified accordingly.

Sec. 5. *Effectivity.* – This Act shall take effect after fifteen (15) days following its complete publication in the Official Gazette or a newspaper of general circulation.

Approved,