



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

Eighteenth Congress
Second Regular Session

HOUSE BILL NO. 8061



Introduced By Representatives **JORGE "PATROL" BUSTOS, PRESLEY C. DE JESUS and MICHAEL L. ROMERO**

EXPLANATORY NOTE

No less than the country's Constitution recognizes the invaluable role of the military and uniformed personnel, our frontliners in public order, security and safety, in the protection of our sovereignty from threats, unrest, and lawlessness, in and out of our country's borders. Section 5 of Article XVI of the 1987 Constitution mandates the State to pursue the strengthening of the patriotic spirit and nationalist consciousness of the military, and also to ensure professionalism in the service, with provisions for premium remuneration and benefits of its members. Indeed, this obligation of the State extends beyond their active service, as these pensions and financial support give a tremendous boost in keeping the nationalistic spirit and patriotism alive in the hearts and lives of our modern heroes.

The Constitution also states that the State shall, from time to time, review pertinent provisions of law to upgrade the pensions and other benefits due to retirees of both the government and the private sectors. In coming up with more efficient reforms and more streamlined system of benefits for the military and uniformed personnel, it is but necessary to provide adequate and acceptable remuneration and compensation by balancing governmental interest and the mandate to provide for such benefits.

Time and again, our President, President Rodrigo Roa Duterte, have always highlighted that *"the (present) administration will remain steadfast in protecting and advancing their (military and uniformed personnel) welfare through modernization, capacity-enhancing initiatives, and provision of benefits for their*

families.”¹ He has also emphasized the importance of reforms, particularly as to the pensions of retirees, as there will be an impending “budget burden where the total cost of the pensions of retired soldiers will exceed the compensation of those in active service.”²

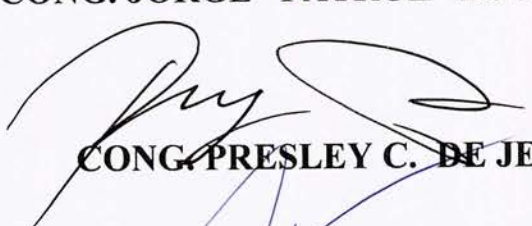
In seeking a common ground to provide a win-win solution and at the same time, still give our military and uniformed personnel their best due, this proposed measure pursues to provide the government with ample financial flexibility, at the same time ensuring that the State will not waver from its duty towards maintaining a uniformed personnel with commensurate benefits and compensation, whether they be in the active service or retirees, as the case may be.

This proposed bill seeks to provide a unified system for the separation, retirement and pension system of the military and the unified personnel namely: the Armed Forces of the Philippines (AFP), the Philippine National Police (PNP), the Philippine Coast Guard (PCG), the Bureau of Fire Protection (BFP), the Bureau of Jail Management and Penology (BJMP) and the Bureau of Corrections (BuCor). This new unified system will ensure a sustainable, permanent, viable and ACCEPTABLE solution to the “ballooning effect” budget of the current pension system without diminishing the benefits that the retirees and current active members of military and uniformed system are entitled to under existing laws.

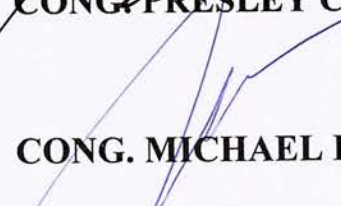
In view of the foregoing, approval of this bill is earnestly sought.



CONG. JORGE “PATROL” BUSTOS



CONG. PRESLEY C. DE JESUS



CONG. MICHAEL L. ROMERO

¹ Gita-Carlos, Ruth Abbey, “Duterte vows support for retired MUP, dependents of fallen troops,” Philippine News Agency, downloaded from <https://www.pna.gov.ph/articles/1088451>, last accessed 25 May 2020.

² <https://newsinfo.inquirer.net/1313261/ph-military-backs-duterte-call-for-revised-pension-system-for-uniformed-personnel>, last accessed 13 October 2020.



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Introduced By Representatives JORGE "PATROL" BUSTOS, PRESLEY C. DE
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AN ACT

PROVIDING FOR A UNIFIED SYSTEM FOR SEPARATION,
RETIREMENT, AND PENSION OF THE MILITARY AND UNIFORMED
PERSONNEL (MUP) SERVICES OF THE REPUBLIC OF THE
PHILIPPINES, CREATING THE MILITARY AND UNIFORMED
PERSONNEL RETIREMENT FUND, PROVIDING FUNDS THEREFOR,
AND FOR OTHER PURPOSES

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

Section 1. *Short Title.* – This Act shall be known as the "Military and
Uniformed Personnel Service Separation, Retirement, and Pension Act."

Title I

Declaration of Policy

Sec. 2. *Declaration of Policy.* – The State duly recognizes the vital role of
military and uniformed personnel in providing internal and external security,
promoting peace and order, ensuring public safety, and further strengthening local

1 government capability, aimed towards the effective delivery of basic services to the
2 citizenry.

3
4 The State also recognizes the extraordinary hazards, risks, perils, and dangers
5 that military and uniformed personnel encounter in the performance of their duties.

6
7 It shall therefore be the prime concern of the State to provide all military and
8 uniformed personnel adequate remuneration and benefits, including retirement
9 benefits and pension. The State shall ensure that the retirement benefits and pension
10 scheme of the military and uniformed personnel is secure, equitable, and sustainable.

11
12 **Title II**
13 **Definition of Terms**
14

15 *Sec. 3. Definition of Terms.* – For the purposes of this Act:

- 16
17 a. “Active Members” refers to military and uniformed personnel from the
18 Military and Uniformed Services in the Active Service prior to the affectivity
19 of this Act;
20
21 b. “Active Service” refers to Active Service rendered by a Military or Uniformed
22 Services Personnel as a commissioned officer, non-commissioned officer,
23 enlisted personnel, cadet, probationary officer, trainee or draftee in the Military
24 or Uniformed Services; *Provided*, That service rendered as a cadet,
25 probationary officer, trainee or draftee in the Military or Uniformed Services
26 shall be credited for retirement purposes with a maximum of four (4) years,
27 subject to applicable rules and regulations;

- 1 c. "Combat Casualty" refers to death or total permanent physical disability
2 incurred, while in Active service, during legitimate actual combat or armed
3 encounter, attack or operation;
4
- 5 d. "Death or Permanent Physical Disability in Line of Duty" refers to death,
6 illness or injury incurred while in the Active Service and not attended by
7 misconduct, wilful failure, the use of drugs or alcoholic liquor or vicious or
8 immoral habits;
9
- 10 e. "Military Services" refers to the Armed Forces of the Philippines (AFP);
11
- 12 f. "Uniformed Personnel Services" refer to Philippine National Police (PNP),
13 Philippine Coast Guard (PCG), Bureau of Fire Protection (BFP), Bureau of Jail
14 Management and Penology (BJMP) and Bureau of Correction (BuCor);
15
- 16 g. "New Entrants" refers to military and uniformed personnel from the Military
17 and Uniformed Services who entered or re-entered the Military and Uniformed
18 Services after the effectivity of this Act;
19
- 20 h. "Survivors" refers to the following:
21
- 22 1. Surviving spouse of a deceased Military or Uniformed Services
23 Personnel not separated by judicial decree from the deceased: *Provided,*
24 That their marriage was contracted during the Active Service of the
25 deceased: *Provided, further,* That entitlement of said spouse to benefits
26 under this Act shall terminate upon re-marriage or co-habitation with
27 another, or the commission against the biological or adopted children of

1 the deceased of any of the acts of violence or abuse as defined under
2 Republic Act No. 9262, otherwise known as "Anti-Violence Against
3 Women and Their Children Act of 2004" and other related penal laws,
4 and other acts inimical to the welfare of the child of the deceased as
5 determined by a Board created for the purpose: *Provided, finally,* That
6 the conviction of the surviving spouse of any crime which carries a
7 penalty of imprisonment of more than six (6) years and one (1) day, the
8 conception of a child after the death of the deceased, or loss of the
9 Philippine Citizenship or acquisition of dual citizenship, shall terminate
10 the entitlement of such surviving spouse to benefits under this Act;
11

- 12 2. Surviving legitimate, adopted and illegitimate children of a deceased
13 Military or Uniformed Services Personnel conceived, adopted or
14 acknowledge prior to separation or retirement of the deceased from
15 active service; *Provided,* That entitlement of said children to benefits
16 under this Act shall terminate when such children attain twenty-one (21)
17 years of age or upon marriage, whichever is easier; *Provided, further,*
18 That children who suffer from total permanent disability as defined in
19 this Act, shall be entitled to benefits under this Act during their lifetime;
20 *Provided, finally,* That the conviction of the surviving child of any crime
21 which carries a penalty of imprisonment of more than six (6) years and
22 one (1) day, or loss of Philippine Citizenship or acquisition of dual
23 citizenship, shall terminate the entitlement of such child to benefits
24 under this Act;
25
26

1 3. In default of those mentioned in sub-paragraphs h (1) and (2) above,
2 surviving parents of a deceased Military or Uniformed Services
3 Personnel who are primarily dependent on the deceased for support, or
4 in default thereof, surviving siblings who are under twenty-one (21)
5 years of age and unmarried; *Provided*, That the conviction of the parent
6 or sibling of the deceased for any crime which carries a penalty of
7 imprisonment of more than six (6) years and one (1) day, or loss of
8 Philippine Citizenship or acquisition of dual citizenship, shall terminate
9 the entitlement of such parent or sibling to benefits under this Act;

10
11 i. "Total Permanent Physical Disability" refers to the anatomical loss or the
12 permanent loss of use of both hands, of both feet, or both eyes, of both ears or
13 any combination, or loss of mental faculties, as determined by the medical
14 board created for the purpose.

15
16 **Title III**
17 **Applicability**

18
19 Sec. 4. *Applicability*. – This Act shall apply only to all New Entrants of the
20 Military and Uniformed Services.

21
22 **Title IV**
23 **Retirement**

24
25 Sec. 5. *Compulsary Retirement*. – The following active Military or Uniformed
26 Services Personnel shall be compulsory retired:

- 1 a. Those who attain the age of fifty-six (56): *Provided*, That he/she has
2 accumulated at least thirty (30) years of satisfactory Active Service;
3
4 b. Those who suffer death in line of duty: *Provided*, That he/she has accumulated
5 at least thirty (30) years of satisfactory Active Service;
6
7 c. Those who incur total permanent physical disability in line of duty: *Provided*,
8 That he/she has accumulated at least thirty (30) years of satisfactory Active
9 Service;
10
11 d. Those who are combat casualties;
12
13 e. Those subject to attrition, as provided in Section 18 of this Act: *Provided*, That
14 he/she has accumulated at least thirty (30) years of satisfactory Active Service;
15 or
16
17 f. Those separated by their respective Discipline Board under Section 18 of this
18 Act: *Provided*, That he/she has accumulated at least thirty (30) years of
19 satisfactory Active Service.
20

21 Sec. 6. *Voluntary Retirement*. – Upon accumulation of at least thirty (30) years
22 of satisfactory Active Service, a Military or Uniformed Services Personnel may apply
23 for voluntary retirement from Active Service, subject to the approval of their
24 respective appropriate authority.
25
26
27

Title V
Separation

Sec. 7. *Compulsory Separation.* – The following Military or Uniformed Services Personnel shall be compulsory separated from the Active Service:

- a. Those who attain the age of fifty-six (56) without having accumulated at least thirty (30) years of satisfactory Active Service;
- b. Those who death in line of duty but without having accumulated at least thirty (30) years of satisfactory Active Service;
- c. Those who incur total permanent physical disability in line of duty but without having accumulated at least thirty (30) years of satisfactory Active Service;
- d. Those subject to attrition, as provided in Section 18 of this Act, without having accumulated at least thirty (30) years of satisfactory Active Service; or
- e. Those separated by their respective Disciplinary Board under Section 13 of this Act without having accumulated at least thirty (30) years of satisfactory Active Service.

Sec. 8. *Voluntary Separation.* – A Military or Uniformed Services Personnel, who has not accumulated at least thirty (30) years of satisfactory Active Service, may apply for separation from Active Service, subject to the Approval of their respective appropriate authority.

1 After the retirement from the service, those retired under Title IV shall
2 immediately receive their benefits under this Act: *Provided*, That, those retired due to
3 Attrition under Section 5 (e), Honorably Discharged under Section 5 (f), and those
4 who avail of Voluntary Retirement under Section 6 shall be eligible to receive
5 monthly retirement pay only upon reaching the age of fifty (50): *Provided, however*,
6 that survivors shall immediately receive their survivorship benefits in the event the
7 retiree dies before his fiftieth (50th) birthday for cause/s not attributable to the
8 Survivor entitled thereto; *Provided, further*, That nothing in this Section shall be
9 construed as authorizing adjustment of pay, or payment of any differential in
10 retirement pay to Military or Uniformed Services Personnel who are already retired
11 prior to the approval of this Act as a result of increases in salary of those in the
12 Active Service may have their retirement pension adjusted based on the rank they
13 hold and on the prevailing pay of military personnel in the Active Service, at the time
14 of the termination of their recall to Active Service.

15
16 Sec. 10. *Separation Pay*. – Except for those provided for in Section 12 of this
17 Act, when a Military or Uniformed Services Personnel is separated from the service
18 under Section 7 and Section 8 of Title V of this Act, he/she, or his/her survivors shall
19 receive a separation pay equivalent to on-month base plus longevity pay of the
20 permanent grade last held for every year of Active Service: *Provided*, That nothing in
21 this Section shall be construed as authorizing adjustment of pay, or payment of any
22 differential in separation pay to Military or Uniformed Services Personnel who are
23 already retired or separated from the service prior to the affectivity of this Act as a
24 result of increases in salary granted to Military or Uniformed Services Personnel in
25 Active Service.

1 Sec. 11. *Survivorship Benefits.* – The survivors of a deceased Military or
2 Uniformed Services Personnel retired under Title IV, and separated under Section 7
3 (b) of Title V of this Act shall be immediately entitled to a monthly annuity
4 equivalent to seventy-five percent (75%) of his/her monthly retirement pay which the
5 deceased was receiving or entitled to received, to be divided among them in equal
6 shares and with the right of accretion: *Provided*, That the minimum monthly annuity
7 to be received shall be equivalent to fifty percent (50%) of the base and longevity pay
8 of the permanent grade last held: *Provided, Finally*, That if lump sum equal to
9 eighteen months (18) is availed and retiree dies within eighteen (18) months after
10 retirement, survivorship benefits shall only start on first month immediately after the
11 eighteen (18) months reckoned from date of retirement.

12
13 Sec. 12. *Benefits for Death and Total Permanent Disability in Line of Duty.* –
14 A Military or Uniformed Services Personnel separated under Section 7(c) of Title V
15 of this Act or his Survivors shall be immediately entitled to a monthly life annuity the
16 amount of which shall be fifty per centum (50%) of the base and longevity pay
17 computed on the basis of his/her actual rank held at time of death or disability.

18
19 Sec. 13. *Separation by the Disciplinary Board.* – A Military or Uniformed
20 Services Personnel referred to and found by their respective Disciplinary Board not
21 fit for retention in the Active Service because of substandard performance, low
22 potentiality, doubtful integrity and/or acts inconsistent with the best interest of the
23 service shall be separated from the Active Service: *Provided*, That the Disciplinary
24 Board, based on the facts and circumstances of the case, shall determine whether the
25 subject Military or Uniformed Services Personnel shall be granted an Honorable
26 Discharge and is entitled to receive benefits under Section 9 or 10 of Title VI of this
27 Act, as applicable, otherwise, all benefits under this act shall be forfeited.

1 Sec. 14. *Disability Pension.* – A Military or Uniformed Services Personnel retired
2 due to disability which is the proximate result of wounds or injuries received, or
3 sickness or disease incurred in line of duty or as a battle casualty, shall receive, in
4 addition to the other benefits under this Act, Disability Pension fixed as follows:

- 5
- 6 a. If and while the disability is rated twenty-five percent (25%), the additional
7 monthly pension shall be PHP 2,500.00;
- 8
- 9 b. If and while the disability is rated fifty percent (50%), the additional monthly
10 pension shall be PHP 5,000.00;
- 11
- 12 c. If and while the disability is rated sixty percent (60%), the additional monthly
13 pension shall be PHP 6,000.00;
- 14
- 15 d. If and while the disability is rated seventy percent (70%), the additional
16 monthly pension shall be PHP 7,000.00;
- 17
- 18 e. If and while the disability is rated eighty percent (80%), the additional monthly
19 pension shall be PHP 8,000.00;
- 20
- 21 f. If and while the disability is rated ninety percent (90%), the additional monthly
22 pension shall be PHP 9,000.00; or
- 23
- 24 g. If and while the disability is rated one hundred percent (100%), the additional
25 monthly pension shall be PHP 10,000.00;
- 26
- 27

1 Sec. 22. *Recall to Active Service.* – (1) AFP Personnel carried in the
2 Retirement List shall be subject to the Articles of War and may be recalled at any
3 time by the President to Active Service in the permanent grade last held upon
4 retirement. His/her refusal to perform such duty shall be a ground for court-martial
5 under Article 97 of the Articles of War and subsequent termination of payments of
6 benefits as determined by the court martial.

7
8 (2) When recalled to Active Service, a retiree shall receive the pay and
9 allowances of the permanent grade last held and shall continue to be carried in the
10 Retirement List. He/she shall be eligible for promotion under the Regular Force while
11 in active status or in the Reserve Force when in inactive status.

12
13 Sec.23. *Non-Encumbrance of Benefits.* – The benefits authorized under this
14 Act shall exclusively for the benefits of the retired or separated Military or
15 Uniformed Services Personnel and except as provided herein, shall not be subject to
16 attachment, gamishment, levy, execution or any tax whatsoever; neither shall they be
17 assigned, ceded, or conveyed to any third person; *Provided*, that if a retired or
18 separated Military or Uniformed Services Personnel who is entitled under this Act
19 has unsettled money and/or property accountabilities incurred while in the Active
20 Service, not more than fifty percent (50%) of the pension gratuity or other payment
21 due such Military or Uniformed Services Personnel or his/her survivors under this
22 Act may be withheld be applied to settle such accountabilities.

23
24 Sec. 24. *Accrual of Benefits.* – The benefits authorized under this Act shall
25 accrue to Military or Uniformed Services Personnel separated by board action or
26 court martial action except when non-entitlement of such benefits is expressly

adjudged by the board or by the military court and approved by the approving authority.

Sec. 25. *Non-Diminution of Benefits.* – Nothing in this Act shall be construed in any manner to reduce whatever retirement and separation pay or gratuity or other monetary benefits which any person is receiving or entitled to receive under the provisions of existing laws.

Title IX

Miscellaneous Provisions

Sec. 26. *Penal Clause.* – Any person found to have participated directly or indirectly in the commission of fraud, falsification, misrepresentation of facts, collusion or any similar anomaly in the issuance of any certificate or document for any purpose connected with this Act shall upon conviction be punished by a fine of not less than the amount defrauded but not more than threefold such amount and/or imprisonment of not less than six (6) months and one (1) day to six (6) years and perpetual disqualification from holding public office and from practicing any profession or calling licensed by the government; *Provided*, that the maximum penalty shall be imposed if the offense was committed by any group who belongs to an organized/syndicated crime group.

Sec. 27. *Implementing Rules and Regulations.* – Within sixty (60) days upon the effectivity of this Act, the DOF, DND, DOJ, DOTR, Government Service Insurance System (GSIS), and the Department of Budget and Management (DBM), in coordination with the AFP, PNP, PCG, BJMP, BFP, BuCor and other relevant offices shall formulate and issue the Implementing Rules and Regulations necessary for the effective implementation hereof.

1 Sec. 28. *Appropriations.* – The amount necessary for the implementation of the
2 provisions of this Act shall be included in the annual General Appropriations Acct
3 following its enactment into law.
4

5 Sec. 29. *Repealing Clause.* – The pertinent provisions of Republic Act No.
6 6975, Republic Act No. 8551, Republic Act No. 9263, Republic Act No. 9993, and
7 Republic Act No. 10575 are hereby amended accordingly.
8

9 Presidential Decree No. 1656, Presidential Decree No. 1638, Republic Act No.
10 340, and Republic Act No. 5976 are hereby repealed. However, those considered
11 Active Members upon the enactment of this Act shall continue to receive the benefits
12 of the aforementioned laws. Nothing in this Act shall be construed to eliminate or in
13 any way diminish any benefits being enjoyed by Military and Uniform Personnel at
14 the time of pro time of promulgation of this Act.
15

16 All laws, rules and regulations, and other issuances or parts thereof, which are
17 inconsistent with the provisions of this Act are hereby repealed or modified
18 accordingly.
19

20 Sec. 30. *Separability Clause.* – If any provision of this Act shall be declared
21 invalid or unconstitutional, the remaining parts or provisions not otherwise affected
22 shall remain in force and effect.
23

24 Sec. 31. *Effectivity Clause.* – This Act shall take effect fifteen (15) days
25 following its complete publication in the Official Gazette or in two (2) national
26 newspapers of general circulation.

27 Approved,