

Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City

EIGHTEENTH CONGRESS
Third Regular Session

HOUSE BILL NO. 10419



Introduced by REPRESENTATIVE MANUEL ANTONIO F. ZUBIRI

EXPLANATORY NOTE

Barangay officials are the primary civil servants and pillar of our governmental setup. However, despite their very important duties and functions, they do not receive proper compensation for the public service they provide. As such, they are left with little to no savings.

As a result of this, many barangay officials often struggle to get by after taking their leave from public service. They have no social security, and are forced to find avenues of income for their day-to-day expenses instead of enjoying the benefits of their years in public service.

In answer to this concern, this bill proposes to provide pension to barangay officials. The proposed source of this pension fund would be the Malampaya Fund, which encompasses part of Special Account in General Fund (SAGF) 151. The Malampaya Fund has had past recorded balances ranging from P140 billion to P160 billion with 80 percent of it remaining untouched each year. The Malampaya Fund's untapped potential has not gone by unnoticed—in a 2010 report, the Commission on Audit (COA) criticized the misuse of the fund as a missed opportunity.

Congress is urged to make use of the Malampaya Fund toward a worthwhile end, granting barangay officials their well-deserved pension for their years of service. By doing so, they will be free to devote themselves more fully to the demands of their position, and the State will be able to encourage a more effective and vibrant brand of leadership in barangays throughout the nation.

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


MANUEL ANTONIO F. ZUBIRI
Representative
Third District, Bukidnon

Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City

EIGHTEENTH CONGRESS
Third Regular Session

HOUSE BILL NO. **10419**

Introduced by REPRESENTATIVE MANUEL ANTONIO F. ZUBIRI

AN ACT
CREATING THE BARANGAY PENSION FUND TO PROVIDE PENSION BENEFITS TO
ALL BARANGAY OFFICIALS

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 “Barangay Pension Fund Act of 2021”.

SEC. 2. Declaration of Policy. – It is hereby declared the policy of the State to promote a just and dynamic social order that will free the people from poverty through policies that provide adequate social services, promote full employment, a rising standard of living, and an improved quality of life for all.

SEC. 3. Barangay Pension Fund. – The Barangay Pension Fund, herein referred to as the Fund, is hereby established to provide pension benefits to all, Barangay officials, specifically the Punong Barangay, members of the Barangay Council, the Barangay Treasurer and the Barangay Secretary.

SEC. 4. Barangay Pension Fund Council. – There is hereby created an independent body called Barangay Pension Fund Council with the following duties:

1. To manage the funds and invest it properly to ensure its sustainability and increased capacity to provide benefits;
2. To approve the pension plan that shall become the basis for the allocation of benefits for its pensioners;
3. To promulgate implementing rules and regulations of this Act; and
4. To perform other duties and functions towards the efficient and effective implementation of this Act.

SEC. 5. The Barangay Pension Fund shall be funded from Special Account in the General Fund (SAGF) 151 otherwise known as the Malampaya Fund.

“SEC. 6. All fees, revenues and receipts of the Board from any and all sources including receipts from service contracts and agreements such as application and processing fees, signature bonus, discovery bonus, production bonus; all money collected from concessionaires, representing unspent work obligations, fines and penalties under the Petroleum Act of 1949; as well as the government share representing royalties, rentals, production share on service contracts and similar payments on the exploration, development, and exploitation of energy resources, shall form part of a Special Fund to be used to finance energy resource development and exploitation programs and projects of the government and for such other purposes as may be hereafter directed by the President. PROVIDED, THE REVENUES IN SAGF 151 OTHERWISE KNOWN AS THE MALAMPAYA FUND SHALL BE EXCLUSIVELY USED FOR THE BARANGAY PENSION FUND AS MAY BE PROVIDED BY LAW.”

SEC. 7. Budgetary Appropriation. – An initial amount of TWENTY MILLION PESOS (PHP 20,000,000.00) shall be appropriated from the General Appropriations Act for the establishment and operations of the Barangay Pension Council. SEC. 8. Repealing Clause. – All laws, executive and administrative orders or parts thereof, inconsistent with any provision of this Act are hereby repealed or amended accordingly.

SEC. 8. Separability Clause. – If any provision of this Act shall be held unconstitutional or invalid, the other provisions not otherwise affected shall remain in full force and effect.

SEC. 9. Repealing Clause. – All laws, executive orders, rules and regulations inconsistent with or contrary to this Act are hereby deemed accordingly repealed or amended.

SEC. 10. Effectivity Clause. – This Act shall take effect after fifteen (15) days from publication in at least two (2) newspapers of general circulation.

Approved,