

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

NINETEENTH CONGRESS
1st Regular Session

House Bill No. **508**



Introduced by Representatives EDVIC G. YAP, ERIC G. YAP, PAOLO Z. DUTERTE, JOCELYN P. TULFO, RALPH TULFO, and JEFFREY SORIANO

EXPLANATORY NOTE

Section 4, Article XIV of the 1987 Constitution provides that not only the family has the duty to care for its elderly members but also the state through just programs of social security.

At present, the Philippines is experiencing increase in ageing population. However, the Department of Social Welfare and Development (DSWD) reiterates that nearly 1.3 million older people are living in poverty at present. What is alarming is that the latest World Social Protection Report from 2017-2019 shows that only 39.8% of people older than the statutory pensionable age in the Philippines receive an old-age pension, may it be contributory, noncontributory or both.¹

This proposed measure aims to alleviate poverty among our senior citizens through consistent and favorable social pension. It recognizes the invaluable contribution of our elderly in the roles they played in nation building and societal development throughout history.

This bill seeks to amend Republic Act No. 7432 or "An Act to Maximize the Contribution of Senior Citizens to Nation Building, Grant Benefits and Special Privileges and for Other Purposes". The said amendment is geared towards increasing the monthly stipend of indigent senior citizens from five hundred (P500.00) to one thousand and five hundred (P1,500.00).

¹Help Age Global Network. "Ageing Population in the Philippines." Retrieved from: <https://ageingasia.org/ageing-population-philippines/>
(June 13, 2022)

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



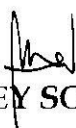
EDVIC G. YAP



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AN ACT
INCREASING THE MONTHLY SOCIAL PENSION OF SENIOR CITIZENS AND
EXPANDING THE COVERAGE THEREOF, AMENDING FOR THE PURPOSE
REPUBLIC ACT NO. 7432 ENTITLED, 'AN ACT TO MAXIMIZE THE
CONTRIBUTION OF THE SENIOR CITIZENS TO NATION BUILDING, GRANT
BENEFITS AND SPECIAL PRIVILEGES AND FOR OTHER PURPOSES,' AS
AMENDED

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

SECTION 1. Section 2 of Republic Act No. 7432, as amended by Republic Act Nos. 9257 and 9994, otherwise known as the "Expanded Senior Citizens Act of 2010", is hereby further amended to read as follows:

"SEC. 2. Definition of Terms. – For the purposes of this Act, these terms are defined as follows:

"(a) x x x;

x x x;

(h) x x x;

"(I) PENSION PROVIDER REFERS TO ANY GOVERNMENT OFFICE OR AGENCY, OR ANY PRIVATE ENTITY WHICH PROVIDES PENSIONS ENTITLED RECIPIENTS ON THE BASIS OF CONTRIBUTIONS, GRATUITY, OR AS MANDATED BY ANY GOVERNING LAW OR ISSUANCE, INCLUDING THE SOCIAL SECURITY SYSTEM (SSS), THE GOVERNMENT SERVICE INSURANCE SYSTEM (GSIS), AND THE PENSION AND GRATUITY MANAGEMENT CENTER (PGMC).

"(J) SOCIAL PENSION REFERS TO THE MONETARY GRANT FROM THE GOVERNMENT TO AUGMENT THE DAILY

SUBSISTENCE AND OTHER MEDICAL NEEDS OF SENIOR CITIZENS WHICH SHALL NOT BE LESS THAN ONE THOUSAND FIVE HUNDRED PESOS (P1,500.00) PER MONTH.”

SEC 2. Section 5 of Republic Act No. 7432, as amended, is hereby further amended to read as follows:

“Sec 5. *Government Assistance.* The government shall provide the following:

“(a) Employment

“ x x x.

“Private entities that will employ senior citizens as employees, upon the effectivity of this Act, shall be entitled to an additional deduction from their gross income, equivalent to fifteen percent (15%) of the total amount paid as salaries and wages to senior citizens, subject to the provision of Section 34 of the NIRC, as amended: Provided, however, That such employment shall continue for a period of at least six (6) months: Provided, further, That the annual income of the senior citizen does not exceed the latest poverty threshold as [determined] **PUBLISHED** by the [National Statistical Coordination Board (NSCB) of the National Economic Development Authority (NEDA)] **PHILIPPINE STATISTICS AUTHORITY (PSA)** for that year.

x x x

“(h) Additional Government Assistance

“(l) **MANDATORY** Social Pension

“Indigent senior citizens shall be entitled to a monthly stipend amounting to [five hundred pesos (P500.00)] **NO LESS THAN ONE THOUSAND FIVE HUNDRED PESOS (P1,500.00)** to augment the daily subsistence and medical needs of senior citizens [subject to review every two (2) years by Congress, in consultation with DSWD].

THE DSWD SHALL, SUBECT TO THE APPROVAL OF THE DEPARTMENT OF BUDGET AND MANAGEMENT (DBM), IN CONSULTATION WITH OTHER STAKEHOLDERS, REVIEW AND, WHEN NECESSARY, ADJUST THE AMOUNT OF SOCIAL PENSION EVERY TWO (2) YEARS AFTER THE EFFECTIVITY OF THIS ACT, TAKING INTO ACCOUNT THE CONSUMER PRICE INDEX AS PUBLISHED BY THE PSA AND RELEVANT ECONOMIC INDICATORS, AS REPORTED AND PUBLISHED BY PERTINENT GOVERNMENT AGENCIES AND AUTHORITIES.

THE IMPLEMENTATION, DISTRIBUTION, AND MANAGEMENT OF THE SOCIAL PENSION SHALL BE TRANSFERRED FROM THE DSWD TO THE NATIONAL COMMISSION OF SENIOR CITIZENS

(NCSC) WITHIN A PERIOD NOT EXCEEDING THREE (3) YEARS FROM THE EFFECTIVITY OF THIS ACT.

“(2) x x x

“(3) Social Safety Nets

“Social safety assistance intended to cushion the effects of economic shocks, disasters, and calamities shall be available for senior citizens. The social safety assistance which shall include [, but not limited to] food, medicines, and financial assistance for domicile repair, shall be sourced from the disaster/calamity funds of LGUs where the senior citizens reside, subject to the guidelines to be issued by the [DSWD], NCSC.

SEC. 3. *Implementing Rules and Regulations.* - Within ninety (90) days from the approval of this Act, the NCSC shall, in consultation with the DSWD, DBM and other concerned government agencies, as well as nongovernmental organizations and people’s organizations of senior citizens duly accredited by the DSWD, promulgate the necessary rules and regulations for the effective implementation of this Act.

SEC. 4. *Appropriations.* - The amount necessary for the initial implementation of this Act shall be charged against the current appropriations of the DSWD. Thereafter, such amount necessary for its continued implementation of this Act shall be included in the annual General Appropriations Act.

SEC. 5. *Separability Clause.* - If any portion or provision of this Act is declared unconstitutional, the remainder of this Act or any provision not affected thereby shall remain in force and effect.

SEC. 6. *Repealing Clause.* - All laws, executive orders, presidential decrees, presidential proclamations, letters of implementation, rules and regulations or parts thereof inconsistent with the provisions of this Act are hereby repealed or modified accordingly.

SEC. 6. *Effectivity.* - This Act shall take effect fifteen (15) days after its publication in the *Official Gazette* or in a newspaper of general circulation.

Approved,