

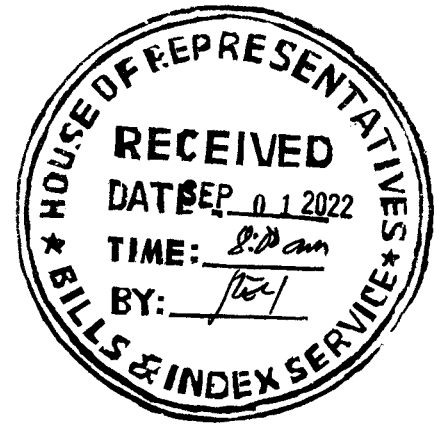


Republic of the Philippines
House of Representatives
Quezon City

NINETEENTH CONGRESS

First Regular Session

House Bill No. 4306



Introduced by Representative Albert Raymond S. Garcia

EXPLANATORY NOTE

This measure aims to address two current challenges in the operations of the Philippine Coast Guard (PCG): the lack of a clearly defined organizational structure in existing legislation and the need to update the existing pension system of the organization.

Firstly, the PCG has encountered challenges in requesting for additional personnel and ensuring timely procurement because of the lack of a much more clearly defined organizational structure in existing legislation. Addressing this problem is necessary to ensure that the PCG is able to operate at an optimal level.

Secondly, the measure also aims to align the PCG's pension system with that of the other major uniformed services in the country. Updating the PCG's pension system is seen as contributory to sustaining the morale of the coast guard's personnel by providing them with financial support that is much more aligned to the value and longevity of the service they have provided for the country.

As one of the front liners in safeguarding our maritime security, a strong PCG is essential to sustaining the country's independent foreign policy. Support for this measure, then, is earnestly sought.


REP. ALBERT RAYMOND S. GARCIA
Second District, Bataan



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1 **AN ACT**
2 **PROVIDING FOR THE STRENGTHENING AND UPGRADING OF THE**
3 **ADMINISTRATION AND ORGANIZATION OF THE PHILIPPINE COAST GUARD**
4

5 *Be it enacted by the Senate and the House of Representatives of the Philippines*
6 *in Congress assembled:*
7

8 **CHAPTER I**
9 **THE PHILIPPINE COAST GUARD**

10 **Section 1. Short Title.** - This Act shall be known as the "Revised Philippine Coast
11 Guard Law."
12

13 **Section 2. Philippine Coast Guard.** - The Philippine Coast Guard (PCG),
14 established under Republic Act No. 9993 as an armed and uniformed service attached
15 to the Department of Transportation (DOTr) shall continue as such upon the effectivity
16 of this Act: *Provided*, That in times of war, as declared by Congress, the PCG or parts
17 thereof, shall be attached to the Department of National Defense.
18

19 **CHAPTER II**
20 **ORGANIZATION**

21 **Section 3. Organization.** – The PCG organizational structure shall be headed by
22 a Commandant with the rank of Admiral assisted by the Deputy Commandant for
23 Operations and Deputy Commandant for Administration both with the rank of Vice
24 Admiral. It is divided into three functional service commands, namely, maritime safety,

1 marine environmental protection and maritime security. Other service commands,
2 major and support units are categorized as administrative support, operating
3 commands, operational support, technical services and special service commands.

4 a) Administrative support commands are Education and Training, Internal Affairs
5 Service, Surface Support Force, Human Resource Management Service and Logistics;

6 b) The operational support commands are Weapons, Communications,
7 Electronics, Information System Service, Special Operations Force, Aviation Force,
8 Community Relations Command and Canine Enforcement Force;

9 c) The technical services are the Judge Advocate General's Service Command,
10 Medical Service, Ecumenical Service, Dental Service, Veterinary Service, Medical
11 Administrative Corps, Nurse Corps, and other technical services that may or hereinafter
12 be created as needed;

13 d) Operating commands are the 15 districts located nationwide covering specific
14 areas of responsibilities composed of stations which in turn have field offices called sub-
15 stations down to detachments or posts. These coast guard districts are: National
16 Capital Region-Central Luzon (CGD NCR-CL), Central Visayas (CGD CV),
17 Southwestern Mindanao (CGD SWM), Southeastern Mindanao (CGD SEM), Palawan
18 (CGD PAL), Western Visayas (CGD WV), Southern Tagalog (CGD STL), Northern
19 Mindanao (CGD NM), Bicol (CGD BCL), Northwestern Luzon (CGD NWL), Eastern
20 Visayas (CGD EV), Northeastern Luzon (CGD NEL), Southern Mindanao (CGD SM),
21 Northeastern Mindanao (CGD NEM) and Coast Guard district BARMM (CGD BARMM).
22 The PCG shall continue to study and consider creation of other new districts in the
23 expediency of service;

24 e) The Special Services are the Legislative Liaison Affairs, Community Relations
25 Service, Finance Service, Internal Audit, Center for Strategic Studies, Accounting
26 Service and the Coast Guard Academy;

27 In addition to the basic structure of the PCG mentioned above, the Commandant
28 may, in the interest of public service and expediency of service, create or reorganize
29 districts, commands, services or units under the PCG which shall be forwarded for
30 adoption to the Organization, Position Classification and Compensation Bureau
31 (OPCCB) of the Department of Budget and Management: *Provided*, That the minimum
32 manning level of the PCG shall be computed based on the total coastline of the
33 Philippines with two (2) uniformed personnel per (1) kilometer of coastline. *Provided*
34 *Finally*, That the functional commands, administrative support units, operational support

1 units, operating units, technical services and special services shall be authorized and
2 designated to perform all duties and functions of the PCG within their individual area of
3 responsibility, including but not limited to, finance and procurement.

4
5 **Section 4. The PCG Commandant.** – The PCG shall be headed by a
6 Commandant who shall have the rank of Admiral which shall be equivalent to the rank
7 and pay of the Chief of Staff of the Armed Forces of the Philippines and the Chief of the
8 Philippine National Police. The Commandant shall be appointed by the President from
9 among the Flag Officers in the Coast Guard service. He shall have earned the
10 command-at-sea badge and must have served as District Commander and Functional
11 Service Commander. The Commandant shall have a maximum term of (3) three years
12 or upon reaching the age of 56 years old whichever comes earlier. *Provided, however,*
13 That if the maximum term is served before reaching the age of 56, the Commandant
14 shall be compulsorily retired with all the benefits appertaining thereto.

15
16 **Section 5. Powers and Functions of the Commandant.** - The Commandant
17 shall exercise the following powers and functions:

18 a) Under the authority and direction of the President, shall be responsible for the
19 elaboration and execution of national maritime laws relating to the functions of the PCG;

20 b) Direct and control tactical as well as strategic movements, deployment,
21 placement, utilization of the PCG or any of its units and personnel, including its
22 equipment, facilities and other resources: *Provided* that the Commandant may delegate
23 this power to subordinate officials with respect to the units under the latter's command,
24 subject to the guidelines as the Commandant may prescribe in accordance with existing
25 laws, rules and regulations.

26 c) Prescribe, in accordance to existing laws the organization or re-organization,
27 powers, functions and duties of the various staff, services, installation and other units
28 of the PCG;

29 d) Issue policies and instructions regarding personnel, funds, properties, records,
30 correspondence and such other matters as may be necessary to effectively carry out
31 the functions, powers and duties of the PCG, in accordance with existing laws, rules
32 and regulations.

33 e) Appoint, enlist and call to active duty any member of the uniformed personnel,
34 non-commissioned officers and call to active duty members of the officers' corps;

1 f) Approve the recommendation of the different promotion and/or assignments
2 boards and ensure observance of merit and fitness in the process of promotion and
3 assignment;

4 g) Exercise disciplinary authority over all uniformed personnel and civilian
5 employees of the PCG;

6 h) Perform any task or directive issued by the President;

7 Further, such command and direction of the Commandant may be delegated to
8 subordinate officials with respect to the units under the latter's respective commands,
9 subject to the guidelines as the Commandant may prescribe in accordance with the
10 rules and regulation prescribed under existing laws.

11 12 **CHAPTER III**

13 **ADMINISTRATION AND PERSONNEL**

14 **Section 6. – Personnel.** – The PCG shall consist of the following categories of
15 personnel:

16 a) Officer – refers to uniformed members of the PCG who is commissioned as
17 officer by the President and belongs to the officers' corps;

18 b) Enlisted personnel– general term for uniformed member of the PCG with ranks
19 below commissioned officers and performs jobs specific to their occupational specialty.
20 There are three classification of enlisted personnel, namely, strikers for those in grades
21 E-1 to E-3, junior non-commissioned officers for those in grades E-4 to E6 and senior
22 non-commissioned officers for ranks with equivalent grades of E-7 to E-10.

23 c) Civilian employee – refers to the non-uniformed members of the PCG who are
24 appointed and employed under the Civil Service laws, rules and regulations;

25 d) Probationary Ensign – refers to a person who is called to active duty but
26 awaiting commissionship into the PCG or awaiting training;

27 e) Draftee – refers to a person who has completed basic training and is awaiting
28 enlistment into the PCG active service;

29 f) Cadet- refers to a person who is enrolled in service academies under the
30 sponsorship of the PCG;

31 g) Candidate – refers to a person who is undergoing training for commissionship;

32 h) Trainee – refers to a person who is undergoing training to qualify as member of
33 the enlisted personnel's corps of the PCG;

Provided, That the ranks and grades of all uniformed personnel in the PCG, whether officer or enlisted personnel, shall be the same and equal as that used and observed in the AFP and PNP.

Section 7. Ranks and Grades of PCG Officers. – The ranks and grades of PCG Officers shall be as follows:

RANK	ACRONYM	PAY GRADE
Admiral	ADM	O-10
Vice Admiral	VADM	O-9
Rear Admiral	RADM	O-8
Commodore	COMMO	O-7
Captain	CAPT	O-6
Commander	CDR	O-5
Lieutenant Commander	LCDR	O-4
Lieutenant Senior Grade	LTSG	O-3
Lieutenant Junior Grade	LTJG	O-2
Ensign	ENS	O-1

Section 8. Technical Officers. – Following are the professionals that may join the PCG service as technical officers:

- a) Lawyers
- b) Doctors
- c) Priests, Pastors, Imam, and other certified clerics
- d) Dentists
- e) Veterinarians
- f) Engineers and naval architects
- g) Nurses
- h) Certified Public Accountants
- i) Clinical Psychologists
- j) Physical Therapists
- k) Chemists
- l) Medical Technologists
- m) Midwives

Any applicant holding the degree of any of the abovementioned professions shall have qualified and passed the licensure examination, as applicable, of the respective

professions to be qualified for entry into the Coast Guard service. Other board professions not listed may still be recruited as part of the technical stream upon verification of the PCG of its need thereof.

Section 9. Officer Rank Distribution. - The officer rank distribution of the PCG shall be as follows: two per centum (2%) in the Flag Officer rank; six per centum (6%) in the rank of Coast Guard Captain; twelve per centum (12%) in the rank of Coast Guard Commander; eighteen per centum (18%) in the rank of Coast Guard Lieutenant Commander; Twenty per centum (20%) in the rank of Coast Guard Lieutenant Senior Grade; and forty-two per centum (42%) in the ranks of Coast Guard Lieutenant Junior Grade and Coast Guard Ensign; *Provided*, That such distribution is based on the ratio between officer and enlisted personnel which is one (1) officer for every seven (7) enlisted personnel: *Provided, finally*, That if the actual number in a rank is less than the number prescribed in a lower rank, the difference may be applied as an increase to the number prescribed in the lower rank.

Section 10. Distribution of Flag Officers. – Other than the Commandant who occupies the rank of Admiral, the total number of flag ranks shall not exceed two (2) percent of the total population of officers distributed observing the pyramidal structure as hereunder prescribed:

Vice Admiral	0.15%
Rear Admiral	0.35%
Commodore	1.50%
Total	2.00%

Provided, That if the actual number in a rank, except in the case of Coast Guard Admiral and Coast Guard Vice Admiral, is less than the number herein prescribed, the difference may be applied as an increase to the number prescribed in the lower rank: *Provided, further*, That no officer shall be promoted to the rank of Coast Guard Commodore or higher unless there is an existing vacancy, and the officer is occupying a position in the table of organization that requires the rank of which he is being considered for promotion.

Section 11. Maximum Tenure in Rank. – The maximum tenure of officers in the ranks of Captain and Flag Officer in the PCG are hereby prescribed as follows:

Rank	Maximum Tenure in Rank
------	------------------------

Admiral	three (3) years
Vice Admiral	three (3) years
Rear Admiral	three (3) years
Commodore	five (5) years
Captain	ten (10) years

Unless earlier separated, retired or promoted to the next higher rank or occupying a position calling for the higher rank in the PCG Table of Organization, Captains and Flag Officers shall be retired upon the attainment of the maximum tenure in rank herein prescribed, or upon reaching the age of compulsory retirement whichever comes earlier: *Provided*, That Captains or flag officers who have not reached age of retirement shall be retired due to attrition if they have at least twenty (20) years in service otherwise it shall be separation from service.

Section 12. Maximum Tenure in Position. - Officer holding the following key positions are hereby limited to a maximum tenure of three (3) years, unless otherwise earlier relieved by competent authority or compulsory retired under existing laws:

- a) Commandant
- b) Deputy Commandant
- c) Functional Service Commander

Provided, That except for the Commandant, no other officer shall be assigned/designated to the aforementioned key positions or promoted to the rank of Commodore or higher if he has less than (1) year of active service remaining prior to compulsory retirement.

Section 13. Ranks and Grades of Enlisted Personnel. The ranks and pay grades of PCG enlisted personnel shall be as follows:

RANK	ACRONYM	PAY GRADE
First Master Chief Petty Officer	FMCPPO	E-10
Master Chief Petty Officer	MCPO	E-9
Senior Chief Petty Officer	SCPO	E-8
Chief Petty Officer	CPO	E-7
Petty Officer First Class	PO1	E-6
Petty Officer Second Class	PO2	E-5
Petty Officer Third Class	PO3	E-4

Seaman/Seawoman First Class	SN1/SW1	E-3
Seaman/Seawoman Second Class	SN2/SW2	E-2
Apprentice Seaman/Seawoman	ASN/ASW	E-1

Section 14. Maximum Tenure in Rank for Enlisted Personnel. – The maximum tenure of senior enlisted personnel in the ranks of Chief Petty Officer to First Master Chief Petty Officer in the PCG are as follows:

Rank	Maximum Tenure in Rank
First Master Chief Petty Officer	Three (3) years
Master Chief Petty Officer	Three (3) years
Senior Chief Petty Officer	Five (5) years
Chief Petty Officer	Eight (8) years

Any enlisted personnel holding lower ranks than the above who stays in a rank for 10 years without being promoted to the next higher rank shall be evaluated by the Re-enlistment Fitness Board who shall verify suitability to continue in service and submit a recommendation for the approval of the Commandant: *Provided*, That the original enlistment term in the PCG shall be three (3) years and subsequent re-enlistment shall be for the term of six (6) years, with the application for re-enlistment to be reviewed by the Re-enlistment Fitness Board for recommendation to the Commandant for approval: *Provided, further*, That the uniform allowance shall be payable every three (3) years after complying with the physical fitness test.

Section 15. Civilian Employees. – There shall be civilian positions within every office of the PCG. The head of the civilian employees shall occupy a rank of Director III and shall be appointed by the President upon recommendation of the Commandant. The civilian employees shall establish their own plantilla positions to complement the strength of the PCG uniformed personnel.

Section 16. Appointments. – The appointment of the PCG Commandant and Flag Officers shall be approved by the President upon the recommendation of the Secretary of the DOTr. Appointments of all PCG enlisted personnel shall be made by the PCG Commandant. Appointments of PCG officers, which shall be in the initial rank

1 of Coast Guard Ensign shall be through a commissionship into service by the President
2 upon the recommendation of the Commandant.

3 The initial entry ranks for technical officers like lawyers, medical doctors and
4 ecumenical clerics shall be in the rank of Lieutenant Senior Grade, dentists and
5 veterinarians shall be Lieutenant Junior Grade, while nurses and chemists shall be
6 commissioned in the rank of Ensign. Appointment of other technical professions that
7 may be required later shall be based on the academic attainment or ranking of licensure
8 examinations results issued by competent authority.

9 Appointments as well as the promotion of all civilian employees shall be in
10 accordance with the CSC laws, rules and regulations.

11
12 **Section 17. Basic Qualification for Uniformed Personnel.** – To qualify as
13 officer or enlisted personnel of the PCG, applicant shall possess the following at the
14 time of application:

- 15 a) Natural born citizen of the Philippines;
- 16 b) A person of good moral conduct;
- 17 c) Must have passed the psychiatric/ psychological, drug and physical tests to be
18 administered by the PCG Medical Service or by any PCG accredited government
19 hospital for the purpose of determining physical and mental health;
- 20 d) Must possess a formal baccalaureate degree, with appropriate license when
21 applicable or professional civil service eligibility for appointment as officer, and must
22 have finished at least 72 non-repetitive units of college education or senior high school
23 graduate with six (6) months TESDA skills course related to the functions of PCG for
24 appointment as enlisted personnel upon effectivity of this act; and
- 25 e) Must not have been dishonorably discharged from military employment or
26 dismissed for cause from any civilian position in the government.

27
28 **Section 18. Promotions of Officers and Enlisted Personnel.** – The promotion
29 of PCG officers and enlisted personnel shall be based on merit and fitness in
30 accordance with the following procedures:

- 31 a) Officers shall only be promoted after undergoing deliberation before promotion
32 boards. *Provided*, That promotion boards shall submit the results of their deliberation to
33 the Commandant for approval and corresponding transmittal to the President for
34 approval;

1 b) There shall also be appropriate promotion boards for enlisted personnel whose
2 recommendation shall be submitted to the Commandant for approval;

3 *Provided, further,* That at the time of promotion, the officer or enlisted personnel
4 concerned shall possess all the qualifications and none of the disqualifications provided
5 under pertinent laws, rules and regulations, specifically on the completion of required
6 career course, training, examination and minimum time-in-grade as applicable for
7 specific ranks.

8
9 **Section 19. PCG Insignia, Decorations and Awards.** – The PCG shall have its
10 own insignia and badges to denote rank, specialty and assignment including uniforms,
11 decorations and awards, all of which shall be submitted to the National Historical
12 Institute for registration in the flags and heraldic list: *Provided,* That there shall be an
13 established awards system which shall be administered by the PCG under such rules
14 and regulations as may be promulgated with the approval of the President.

15
16 **Section 20. Legal Assistance.** – The Secretary of the Department of Justice, the
17 Secretary of Transportation, or the Commandant of the PCG may authorize lawyers of
18 their respective agencies to provide legal assistance to any member of the PCG
19 charged with an offense or crime resulting from the performance or on occasion of
20 official duty. The government lawyers so authorized shall have the power to administer
21 oaths. The Secretary of Justice, the Secretary of Transportation, and the Commandant
22 of the PCG shall jointly promulgate rules and regulations to implement the provisions of
23 this section.

24
25 **Section 21. Power to Administer Oath.** – Officers of the PCG in the active
26 service with the grade of O-5 or when designated with appropriate orders as
27 administrative officer of a unit, shall have the power to administer oaths on matters
28 which are connected with the performance of their official duties. Senior non-
29 commissioned officers (grades E-7 to E10) who are designated through appropriate
30 orders, as Chief-Master-At-Arms (CMAA) or unit master chief are also empowered to
31 administer oaths.

32
33 **Section 22. Office of the Presidential Adviser on Coast Guard Affairs.** – To
34 assist and provide advice to the President on maritime enforcement and security

1 matters, facilitate policy formulation and decision making in maritime issues, there shall
2 be an Office of the Presidential Adviser on Coast Guard Affairs headed by a PCG flag
3 officer holding a rank of Commodore.

4
5 **Section 23. Maritime and Coast Guard Attaché.** – The PCG shall have maritime
6 and coast guard attaché in the International Maritime Organization, other international
7 institution or as member of diplomatic missions or embassies with proper coordination
8 with the Department of Foreign Affairs.

9 CHAPTER IV

10 PAY, ALLOWANCES AND BENEFITS

11 **Section 24. Salaries and Other Benefits.** – The uniformed personnel of the PCG
12 shall receive the same base pay, longevity pay, hazard pay and other benefits and
13 allowances as are now or hereafter may be authorized for corresponding salary grades
14 and ranks in the AFP. The salaries and allowances of the civilian employees of the PCG
15 shall be in accordance with existing laws, rules and regulations.

16
17 **Section 25. Longevity Pay and Allowances.** – Uniformed personnel of the PCG
18 shall be entitled to a longevity pay of ten percent (10%) of their basic monthly salaries
19 for every five (5) years of continuous active service, which shall be reckoned from the
20 date of actual service in the PCG: *Provided*, That the totality of such longevity pay shall
21 not exceed fifty percent (50%) of the basic pay. They shall also continue to enjoy the
22 subsistence allowance, quarters allowance, clothing allowance, cost of living allowance,
23 hazard pay, and other collateral allowances but not limited to sea duty pay, flying pay,
24 lawyers/legal incentive pay, occupational specialty pay, magna carta for medical
25 workers, specialization pay, instructors duty pay, combat pay for officers and enlisted
26 personnel of the PCG performing combat duties/activities or engaged in actual
27 performance of duties as defined in regulations to be issued by the Commandant and
28 all other applicable allowances as provided by existing laws. *Provided, further*, That the
29 PCG shall, subject to approval of the President, issue a specific policy pertaining to
30 collateral allowances for specific duties actually performed. All collateral allowances
31 shall be reflected in the pay slip of qualified personnel.

32
33 **Section 26. Uniformed Personnel Missing in Action.** – The survivors of any
34 officer or enlisted personnel who, while in the performance of duty, is officially confirmed

1 missing in action, kidnapped or captured by lawless elements shall be entitled to receive
2 the same pay and allowances to which such officer or enlisted personnel is entitled from
3 the time of the latter's disappearance: *Provided*, That the compulsory retirement of an
4 absentee, in applicable cases, shall be processed to allow his/her survivors to enjoy the
5 retirement benefits: *Provided, further*, That should the Commandant, upon the
6 recommendation of the proper authority or immediate supervisor, subsequently rule that
7 the officer or enlisted personnel concerned has been absent from duty without authority,
8 such member or the latter's survivors shall reimburse the PCG all such amount and
9 allowances that have been received in accordance with this section and other pertinent
10 sections of this Act.

11 12 CHAPTER V

13 ACTIVE SERVICE AND SEPARATION

14 **Section 27. Active Service.** – For purposes of this Act, active service of the
15 uniformed personnel shall refer to services rendered as an officer and enlisted
16 personnel, cadet, trainee or draftee in the PCG and services rendered as a civilian
17 official or employee in the Philippine Government prior to the date of separation or
18 retirement from the PCG: *Provided*, That, for purposes of retirement, the personnel shall
19 have rendered at least ten (10) years of active service as officer or enlisted personnel
20 in the PCG: *Provided, further*, That no period of such civilian government service be
21 longer than the active coast guard service shall be credited for purposes of retirement.
22 Service rendered as cadet in any service academy in the Philippines or abroad under
23 sponsorship of the PCG such as the Philippine Merchant Marine Academy,
24 probationary officer, draftee or trainee shall be included in computing the years in active
25 service for retirement purposes if such personnel joins the service right after graduation.

26
27 **Section 28. Retirement.** – Upon attaining 56 years of age or accumulation of 30
28 years of continuous satisfactory active service, whichever comes later, a PCG
29 uniformed personnel shall be compulsorily retired: *Provided*, That in case the disparity
30 between the length of service and retirement age mentioned above is more than a year,
31 then tenure in service may be extended for a maximum of four (4) years but in no case
32 shall the personnel concerned serve beyond sixty (60) years of age. Any officer or
33 enlisted personnel may choose to retire on their own option upon accumulating at least
34 twenty (20) years in active service.

1 For purposes of this Act, an officer or enlisted personnel who dies after
2 accumulating at least twenty (20) years of satisfactory active service shall be
3 considered as retired.

4 The retirement of civilian employees of the PCG shall be governed by the GSIS
5 law, rules and regulations.
6

7 **Section 29. Separation.** – Separation from the Coast Guard service may be done
8 through compulsory retirement, optional retirement upon reaching 20 years in service,
9 disability discharge, expiration of enlistment term, voluntary resignation, attrition,
10 dismissal for cause, or death.

11 The separation of civilian employee of the PCG shall be governed by the Civil
12 Service law, rules and regulations.
13

14 **Section 30. Attrition.** – There shall be established a system of attrition within the
15 uniformed members of the PCG within one (1) year from the effectivity of this Act to be
16 submitted by the PCG to the President for approval.
17

18 **Section 31. Retirement Benefits.** – An officer or uniformed personnel who is
19 retired under Section 31 of this Act, or his/her qualified survivors, are entitled to receive,
20 and may choose from, any of the following benefits:

21 a. **Gratuity Pay.** – A lump sum payment of gratuity pay equivalent to one (1) month
22 of base and longevity pay computed based on one grade higher than the permanent
23 salary grade last held for every year of service; or

24 b. **Retirement Pay** – A monthly retirement pay equivalent to fifty percent (50%) of
25 monthly base and longevity pay computed based on one grade higher than the
26 permanent salary grade last held by the personnel in case of twenty (20) years of active
27 service, increasing by two and one-half percent (2 ½ %) for every year of service
28 rendered beyond twenty (20) years up to a maximum of ninety percent (90%) for thirty-
29 six (36) years of active service and over.

30 *Provided,* That enlisted personnel who attain the rank of Chief Petty Officer, Senior
31 Chief Petty Officer and of Master Chief Petty Officer shall, upon retirement, be entitled
32 to the retirement pay and benefits of an Ensign: *Provided, further,* That a Master Chief
33 Petty Officer shall receive a gratuity equivalent to that of an Ensign, plus one-half (1/2)
34 of the difference between the gratuity of an Ensign and a Chief Petty Officer, and a

1 Senior Chief Petty Officer shall receive a gratuity equivalent to that of an Ensign, plus
2 one-half (1/2) of the difference between the gratuity of a Master Chief Petty Officer and
3 a Chief Petty Officer, while a First Master Chief Petty Officer shall be retired with the
4 rank of Ensign but with the retirement pay and benefits of a Lieutenant Junior Grade
5 (O-2), as provided for in existing laws: *Provided, furthermore*, That officers and enlisted
6 personnel who availed of optional retirement are entitled to receive monthly retirement
7 pay upon retirement: *Provided, finally*, That upon retirement, an officer or enlisted
8 personnel is entitled to receive a lump sum equal to eighteen (18) months of the monthly
9 retirement pay.

10 The retirement pay of officers and enlisted personnel who are killed in action or
11 wounded in action resulting in total permanent disability shall be computed at the rate
12 of ninety percent (90%) of the monthly base and longevity pay based on one grade
13 higher than the permanent salary grade last held by the personnel regardless of years
14 in active service.

15 The retirement pay of all PCG retirees shall be subject to adjustment on the
16 prevailing scale of base pay of uniformed personnel in the active service.

17 The retirement benefits of civilian employees shall be governed by applicable Civil
18 Service laws and regulations and the Government Service Insurance System Law.

19
20 **Section 32. Separation Pay.** – Officers and enlisted personnel separated from
21 the PCG without having accumulated at least twenty (20) years of satisfactory active
22 service, or their qualified survivors, shall receive a separation pay equivalent to one-
23 month base plus longevity pay based on one grade higher than the permanent salary
24 grade the officer and enlisted personnel holds at the time of separation for every year
25 of active service: *Provided*, That cadets, candidates, trainees and draftees who
26 voluntarily resigns from service shall not be entitled to any separation pay.

27 The separation benefits of civilian employees shall be governed by applicable Civil
28 Service laws and regulations and the Government Service Insurance System Law.

29
30 **Section 33. Benefits for Death and Total Permanent Disability in the Line of**
31 **Duty or During Training.** – Qualified survivors of officers and enlisted personnel,
32 including cadets, candidates, trainees and draftees, who died in the line of duty without
33 having accumulated at least twenty (20) years of satisfactory active service are entitled
34 to a monthly life annuity, equivalent to fifty percent (50%) of the base and longevity pay

1 computed based on one grade higher than the permanent salary grade last held by the
2 deceased officer and enlisted personnel at the time of death: *Provided*, That, survivors
3 of cadets, candidates, trainees and draftees who die during training through their own
4 fault or negligence shall not be entitled to this benefit.

5 Officers or enlisted personnel, including cadets, candidates, trainees and
6 draftees, who suffer total permanent physical disability in the line of duty or during
7 training without having accumulated at least twenty (20) years of satisfactory active
8 service shall be entitled to a monthly life annuity, equivalent to fifty percent (50%) of the
9 base and longevity pay computed based on one grade higher than the permanent salary
10 grade last held by the officer and enlisted personnel when the disability occurred:
11 *Provided*, That the extent of the disability or sickness which renders such member unfit
12 or unable to further perform the duties of the position held shall be certified by the
13 appropriate Government hospital like the Philippine General Hospital: *Provided, further*,
14 That cadets, candidates, trainees and draftees who suffer total permanent physical
15 disability during training through their own fault or negligence shall not be entitled to this
16 benefit.

17 The death and disability benefits of civilian employees shall be governed by
18 applicable Civil Service laws and regulations and the Government Service Insurance
19 System Law.

20
21 **Section 34. Survivors.** – The family of deceased officer or enlisted personnel
22 who are alive and may claim benefits after such uniformed personnel dies in line of duty
23 or the pensioner dies. The following criteria shall apply:

24 a) Surviving spouse if married to the deceased prior to the latter's
25 retirement/separation and not legally separated by judicial decree from the deceased
26 issued on grounds not attributable to said spouse: *Provided*, That the spouse's
27 entitlement of benefits shall terminate when the spouse dies, remarries, cohabits or
28 engages in a common-law relationship;

29 b) Surviving children of officer or enlisted personnel born of marriage contracted
30 prior to his retirement/separation from the service, surviving children adopted legally
31 prior to his retirement/separation, illegitimate children born while the deceased parent
32 was still on active service: *Provided*, That entitlement to benefits shall terminate when
33 such children attain twenty-one (21) years of age or upon marriage: *Provided, further*,
34 That those who have reached the age of twenty-one (21) years but are incapacitated

1 and incapable of self-support due to a mental or physical defect acquired prior to age
2 of majority shall remain entitled to the benefits.

3 c) In default of those mentioned in paragraph (a) and (b), the surviving parent or
4 parents.

5 As regards question of filiation involving survivor-claimants, the same shall be
6 submitted first by the claimants to competent court for determination before benefits
7 can be given.

8
9 **Section 35. Survivorship Benefits.** – The qualified survivors are entitled to a
10 monthly annuity equivalent to seventy-five percent (75%) of the officer or enlisted
11 personnel's retirement or separation benefits, to be divided among them in equal shares
12 and with the right of accretion.

13 Survivorship benefits for civilian employees shall be governed by the GSIS Law.
14

15 **Section 36. Disability Pension.** – In addition to the other benefits under this Act,
16 an officer or enlisted personnel who is retired or separated by reason of disability, which
17 is the proximate result of wounds or injuries sustained or sickness or disease acquired
18 in the line of duty shall receive a monthly disability pension as follows:

19 (a) If and while the disability is rated twenty-five percent (25%) – Three thousand
20 three hundred pesos (P5,000.00)

21 (b) If and while the disability is rated fifty percent (50%) – Ten thousand pesos
22 (P10,000.00)

23 (c) If and while the disability is rated seventy-five percent (75%) – Fifteen
24 thousand pesos (P15,000.00)

25 (d) If and while the disability is rated one hundred percent (100%) – Twenty
26 thousand pesos (P10,000.00)

27 The Coast Guard Pension and Gratuity Management Center may require the
28 officer and enlisted personnel receiving the benefits under this Section to undergo
29 periodic physical and medical examination to determine the extent of disability for
30 purposes of adjusting the disability pension.

31 **Section 37. Old-Age Pension.** – A retired PCG uniformed personnel who is at
32 least 65 years of age shall be entitled to old-age pension amounting to Five Thousand
33 Pesos (P5,000.00) monthly increasing by Five Thousand Pesos (P5,000.00) every five

1 years: *Provided*, That only retired PCG uniformed personnel who shall have been
2 honorably discharged or retired after at least twenty (20) years total PCG active service
3 or sooner separated while in the active service in the PCG due to disability arising or
4 incurred in actual operations or performance of duties are entitled to receive this
5 monthly benefit.

6
7 **Section 38. Application of Related Laws on Retirement and Separation of**
8 **Uniformed Personnel.** – The retirement system under Presidential Decree No. 1638,
9 as amended, and the provisions of Republic Act No. 8220, Republic Act No. 9365, and
10 other similar applicable laws, insofar as not inconsistent with applicable provisions of
11 this Act, shall be given suppletory effect.

12
13 **Section 39. Incentives and Awards.** – There shall be established an incentives
14 and awards system which shall be administered by a board under such rules,
15 regulations and standards as may be promulgated by the PCG: *Provided*, That
16 equivalent awards shall be given by the PCG for every award duly given by respectable
17 civic organizations in a nationwide selection for outstanding achievement and/or
18 performance of any member. *Provided, further*, that in the case of civilian employees,
19 the system of incentives and awards shall be approved and in accordance with the CSC
20 laws, rules and regulations.

21 22 **CHAPTER VI** 23 **DISCIPLINARY SYSTEM**

24 **Section 40. Disciplinary System.** The PCG shall adopt the Military Justice
25 System which shall be applicable to all its uniformed personnel. Civilian employees
26 shall be covered under the disciplinary rules of the Civil Service. The Commandant
27 shall be assisted by the Coast Guard Internal Affairs in enforcing discipline and order
28 within its ranks though for disciplinary issues depending on gravity, unit commanders
29 shall exercise disciplinary powers over personnel under their command. The PCG shall
30 within six (6) months from the effectivity of this Act, issue policies, rules and procedures
31 applying military justice system based on the provisions of Commonwealth Act No. 408,
32 as amended by RA No. 516, RA No. 242, PD No. 1968 and PD No.1166. *Provided*,
33 That for civilian employees, the PCG shall issue rules and procedures implementing
34 Book VII of EO No. 292 and the Civil Service laws.

1
2 **Section 41. Disciplinary Authority.** The Commandant exercises disciplinary
3 authority at any time over all personnel of the PCG. The authority to discipline shall also
4 be exercised by unit commanders and Commanding Officers including Station
5 Commanders, Sub-Station Commanders, head of Morning Report Carrying Units.
6

7 **Section 42. Jurisdiction.** – A complaint or a charge filed against a PCG member
8 shall be heard and decided exclusively by the disciplining authority who has acquired
9 original jurisdiction over the case notwithstanding the existence of concurrent
10 jurisdiction as regards the offense.
11

12 **Section 43. Dismissal of PCG Personnel.** – The Commandant, after due notice
13 and summary hearing, may immediately remove or dismiss any respondent PCG
14 personnel and major unit commanders may recommend such in any of the following
15 cases:

16 a) In cases of drug abuse where subsequent confirmation test confirms the use of
17 prohibited drugs;

18 b) When the charge is serious and the evidence of guilt is strong;

19 c) When the respondent is a recidivist or has been repeatedly charged and there
20 are reasonable grounds to believe that he is guilty of the charges; and

21 d) When the respondent is guilty of a serious offense involving conduct
22 unbecoming a PCG personnel.

23 An officer or enlisted personnel who is continuously absent without approved
24 leave for at least thirty (30) calendar days shall be considered on absence without
25 official leave (AWOL) and shall be presumed voluntarily resigned: *Provided*, That he
26 shall be informed, by registered mail, at his address appearing on his 201 file of his
27 separation from the service not later than five (5) calendar days from the effectivity
28 thereof.

29 The dismissal of PCG civilian employees shall be governed by Civil Service laws,
30 rules and regulations.
31

32 **Section 44. Coast Guard Internal Affairs Service.** – To maintain accountability
33 in government service through discipline and efficiency, there shall be an Internal Affairs
34 Service (IAS) in the PCG. The CGIAS shall foster and promote accountability in

1 government service within the PCG and follow the basic principles of integrity,
2 objectivity, independence, confidentiality, professionalism, competence, courage, trust,
3 honesty, fairness, forthrightness, public accountability and respect for others and
4 themselves. It shall have the power to investigate and inquire into any and all activities
5 of the PCG units and personnel, review processes, procedures and operations to
6 determine if such were conducted effectively and efficiently.

7 The personnel of the CGIAS whether officer or enlisted personnel, who are performing
8 actual investigative duties, shall, be granted occupational specialty pay which shall not
9 exceed fifty percent (50%) of their basic pay and shall be reflected in their pay slip for
10 performed work.

11 12 **CHAPTER VII**

13 **MISCELLANEOUS PROVISIONS**

14 **Section 45. Coast Guard Reserve Force.** – There is hereby created and
15 established a Philippine Coast Guard Reserve Force, the purpose of which is to
16 augment the PCG force in the event of national emergency or catastrophe as declared
17 by appropriate Government entity. The PCG reservist shall undergo regular training
18 and shall be organized, trained, equipped, and administered by a PCG Reserve
19 Command under the direction of the Commandant and whose members may be called
20 to active duty in the exigency of the service on aforementioned circumstances duly
21 declared by appropriate authority. The PCG may also participate in the Reserve
22 Officers' Training Course program as an alternative offering focusing on maritime
23 safety, marine environmental protection and search and rescue: *Provided*, That the
24 PCG shall within six (6) months from the effectivity of this Act, draft pertinent policies
25 on the management and particulars of the Coast Guard Reserve Force, subject to the
26 approval of the President.

27
28 **Section 46. Authority to Create Mutual Benefit Association.** The PCG is
29 hereby authorized to create a mutual benefit association where membership is
30 voluntary to provide life and non-life insurance services for the benefits of its members
31 and their dependents to lift the morale and promote the welfare of PCG members and
32 their families. The management, operation, and control of such association shall be
33 under the direct control and supervision of the Commandant, Philippine Coast Guard.
34 Such mutual benefit association shall be exempt from all kinds of taxes and shall be

1 issued a certificate of exemption. The mutual benefit association shall comply with the
2 requirements of Securities and Exchange Commission (SEC) on registration and of
3 other regulatory government agencies.
4

5 **Section 47. Exemption from Attachment and Taxes.** – Retirement benefits
6 granted by this Act, including benefits received from a duly instituted provident fund and
7 mutual benefit association shall not be subject to attachment, levy, execution or any tax
8 of whatever nature.
9

10 **Section 48. Special Account.** – The PCG shall maintain a special account under
11 the General Fund, in which receivables from local or foreign entities shall be credited
12 including proceeds or excess of grants, fees or charges, dues, fines and rentals
13 generated in the regular conduct of service: *Provided*, that PCG shall have the authority
14 to use one hundred percent (100%) of this fund for capability enhancement and
15 modernization of the organization.
16

17 **Section 49. Collection of Revenues.** – The PCG shall collect fees, dues,
18 charges, and fines relevant to the exercise of its various functions: *Provided*, that the
19 thirty percent (30%) shall be credited to the special account.
20

21 **Section 50. PCG Properties and Lighthouse Reservations.** – The PCG shall
22 continue to exercise exclusive ownership, possession, management, control and
23 supervision over all properties transferred to it by virtue of Executive Order No. 475
24 dated 30 March 1998 and Executive Order No. 477 dated 15 April 1998, such as inter
25 alia, vessels, watercrafts, firearms, armaments, munitions, communications and
26 electronic equipment, vehicles, buildings, real state, lighthouse stations and
27 reservations.
28

29 **Section 51. Establishment and Expansion of Coast Guard Bases, Equipment
30 and Facilities.** – In accordance with other appropriate government agencies, the PCG
31 shall develop and enhance its capabilities in the performance of its mandated functions
32 and establish its strategic presence. To this extent the PCG shall, through the guidance
33 of Congress, draft its development plan that shall reflect its asset, equipment and facility
34 requirement that includes but not limited to floating assets, laboratories, land-based

1 support facilities, land mobility, arms and ammunition, rescue and hospital ship,
2 maritime monitoring surveillance and communications system, port facilities, air assets
3 and air stations.
4

5 **Section 52. Implementing Rules and Regulations.** – The Philippine Coast
6 Guard shall, not later than one hundred twenty (120) days from the effectivity of this
7 Act, issue rules and regulations, determine, fix and/or prescribe charges, rates, and
8 penalties, as may be necessary, to implement its provisions, as well as the provisions
9 of laws, issuances, decrees and orders related to the implementation of PCG functions.
10

11 **Section 53. Appropriations.** – The amount necessary to carry out the provisions
12 of this Act shall be included in the annual General Appropriations Act.
13

14 **Section 54. Transitory Provisions.** – The provisions of this Act, as far as the
15 computation of rate is concerned, shall have retroactive effect on the retirement benefits
16 of enlisted personnel whose retirement were affected by the implementation of Republic
17 Act No. 9993, and the discrepancy as a result of applying this Act and Republic Act No.
18 9993 shall be returned to the retiree. The same shall also be retroactively applicable to
19 indexation of pension to base pay scale adjustments affected by Republic Act No. 9993:
20 *Provided*, that the retirement benefits of the ranks of Admiral and Vice Admiral
21 adversely affected by CJR No. 4 s. 2008 and CJR No. 1 s. 2018 shall be adjusted in
22 the same level as its contemporary ranks of General and Lieutenant General in the AFP
23 and the PNP, respectively: *Provided, further*, that those affected by the above-
24 mentioned Joint Resolutions shall be paid the difference in pay and allowances by
25 reason thereof.
26

27 **Section 55. Separability Clause.** – If for any reason, any provision of this Act is
28 declared unconstitutional or invalid, such parts not affected thereby shall remain in full
29 force and effect.
30

31 **Section 56. Repealing Clause.** – Laws, decrees, executive orders, rules and
32 regulations and other issuance's or parts thereof which are inconsistent with this Act
33 are hereby repealed, amended or modified accordingly.
34

1 **Section 57. Effectivity.** - This Act shall take effect fifteen (15) days after its
2 publication in the Official Gazette or in any two (2) newspapers of general circulations.
3 *Approved,*