

Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City

NINETEENTH CONGRESS

First Regular Session

HOUSE BILL NO. **8485**



Introduced by

Honorable ANIELA BIANCA D. TOLENTINO

EXPLANATORY NOTE

The proposed bill aims to encourage competent managers to enter government service, thru the Career Executive Service (CES). It is envisioned that properly educated and trained managers will be part of government because the proposed law will provide handsome salaries, special allowances, retirement benefits, and privileges commensurate to their CES rank.

Aside from luring qualified personnel to become part of the CES, the bill herein will also act as a motivational tool for the current managers who have CES ranks. When approved, the proposed statute will improve the current retirement benefits that current CES members will get.

Since CES members will be given additional benefits, they are expected to perform well and act properly. As such, the bill herein contains a mechanism where those who have been charged administratively shall be penalized accordingly, including forfeiture of retirement benefits and other emoluments. Any wrongdoing relating to performance ratings, evaluation, and other processes will likewise be punished accordingly. The proposed law will also act as a deterrent for graft and corruption, sexual harassment, and other misgivings that a CES member might commit.

A more professional and motivated leadership for managers in the government is needed in the country's continuous efforts for nation-building. The proposed law herein offers a two-pronged solution to the acquisition of new talent and retention of current managers in government – incentivize a job well done and punish the wrongdoings of guilty parties.

For the Filipino people, approval of the proposed bill is earnestly being sought.

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AN ACT RECOGNIZING THE ROLE OF THE MEMBERS OF THE CAREER EXECUTIVE SERVICE (CES) IN EFFECTIVELY UPHOLDING, PURSUING, AND MAINTAINING GOOD GOVERNANCE AND ACCOUNTABILITY IN PUBLIC SERVICE BY GRANTING THEM SALARIES, SPECIAL ALLOWANCES, RETIREMENT BENEFITS, AND PRIVILEGES COMMENSURATE TO THEIR CES RANKS, APPROPRIATING FUNDS THEREFOR, AND FOR OTHER PURPOSES

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

Section 1. *Title.* – This Act shall be known as the “*CES Recognition Act of 2023.*”

Section 2. *Declaration of Policy.* – It is hereby declared the policy of the State to maintain and keep a roster of qualified, committed, and efficient members of the Career Executive Service (CES) in the government by providing them with salaries, special allowances, retirement benefits, and privileges commensurate to their CES ranks.

Section 3. *Members of the CES; Qualification Requirements.* – A person who meets such managerial experience and other requirements and passes such examinations as may be prescribed by the Career Executive Service Board (CESB) shall be included in the register of career service eligible and, upon appointment by the President of the Republic of the Philippines to an appropriate rank, shall become an active member of the CES.

The Members of the CES shall occupy the positions of Undersecretary, Assistant Secretary, Bureau Director, Assistant Bureau Director, Regional Director, Assistant Regional Director, Chief of Department Service and other officers of equivalent rank as may be identified by the CESB, all of whom are appointed by the President.

Notwithstanding the provision of the preceding paragraph, this provision shall also include third-level career executives in government institutions who by their legislative charters or by the nature of their government offices are not Presidential appointees and

yet occupying positions classified by the CESB as equivalent to Undersecretary, Assistant Secretary, Bureau Director, Assistant Bureau Director, Regional Director, Assistant Regional Director, and Chief of Department Service. They shall also be conferred with appropriate Career Executive Service Officer (CESO) ranks by the President upon the recommendation of the CESB after successfully completing the four-stage CES eligibility process and conferred with appropriate CES eligibility by the CESB.

An incumbent of a CES position who does not possess the appropriate qualification shall undergo the CES eligibility process prescribed by the CESB, within one (1) year from appointment to qualify for the CES position and avail of the benefits provided under this Act.

The CESB and the concerned government agency shall ensure that only CES eligible and with appropriate CESO ranks shall be given preference to occupy available CES positions.

Section 4. *Grant of Salaries Commensurate to CES Ranks.* – Members of the CES shall be compensated according to rank based on broad levels of responsibility and on personal qualifications and demonstrated competence, and shall be provided with salaries commensurate to their CESO ranks, to be determined by the Department of Budget and Management (DBM), CESB, and the National Union of Career Executive Service Officers, Inc. (NUCESO).

Section 5. *Grant of Step Increments Due to Meritorious Performance.* – Members of the CES shall be granted step increment(s) due to meritorious performance in any given year, provided they have complied with the following performance ratings:

- a. "Outstanding" performance rating within a calendar year – two (2) step increments
- b. "Very Satisfactory" performance rating within a calendar year – one (1) step increment.

Section 6. *Grant of Automatic CESO Rank and One-Step Salary Adjustment.* – A CESO appointed to a higher CES position shall be automatically conferred by the President of the Republic of the Philippines, upon the recommendation of the CESB, with the appropriate CESO Rank commensurate to the position he/she has been appointed to, without undergoing the usual CES eligibility process for the promotion or adjustment of rank, and shall be entitled to one-step salary adjustment in the salary grade attached to his/her new position.

Section 7. *Effects of Subsequent Salary Increases.* – Upon implementation of any subsequent increases in the salary rates provided under Republic Act. No. 6758, as amended, all special allowances granted under this Act to the CES members shall be considered as an implementation of the said salary increases as may be provided by law. The special allowance equivalent to the increase in the basic salary as may be provided by law shall be converted as part of the basic salary.

Section 8. *Grant of Special Allowances.* – To carry out the declared policy of this Act, all CES members, with an eligibility and with a rank, shall be granted special allowances in the amount to be determined by the DBM, CESB and NUCESO.

The grant of special allowances shall not exceed one hundred percent (100%) of the basic salary of said CES members, as provided in Republic Act No. 6758, otherwise known as the Salary Standardization Law, as amended.

Section 9. *Retirement Benefits.* – When a CES member who possessed a CESO rank for at least five (5) years and who has rendered at least fifteen (15) years of service in any branch of government, retires for having attained the age of sixty-five (65) years or resigns by reason of incapacity to discharge the duties of his/her office, he/she shall, during the residue of his/her natural life, in the manner hereinafter provided, receive a retirement pension based on the highest monthly salary, plus the highest monthly aggregate of transportation, living and representation allowances, which he/she was receiving at the time of his/her retirement or resignation.

When a CES member who possessed a CESO rank for at least five (5) years, has attained the age of sixty (60) years and has rendered at least fifteen (15) years of service in government, he/she shall likewise be entitled to retire and receive during the residue of his/her natural life the same benefits provided for in this section: *Provided, however,* that those with less than fifteen (15) years of service in the government shall be entitled to a pro-rata pension computed as follows: No. of years divided by 15 years and multiplied by basic pay, plus the highest monthly aggregate of transportation, living, and representation allowances.

Upon retirement, a CES member shall be automatically entitled to a lump-sum of five (5) years gratuity computed on the basis of the highest monthly salary, plus the highest monthly aggregate of transportation, living and representation allowances, which he/she was receiving on the date of his/her retirement and thereafter upon survival after the expiration of five (5) years, to further annuity payable monthly during the residue of his/her natural life.

This provision shall likewise apply to third-level officials in the government who are non-Presidential appointees by reason of their legislative charters or by the nature of their government offices, and who have been occupying positions classified by the CESB as equivalent to Undersecretary, Assistant Secretary, Bureau Director, Assistant Bureau Director, Regional Director, Assistant Regional Director, and Chief of Department Service, and been conferred by the CESB with CES eligibility, after passing the four-stage eligibility process, provided that he/she possessed the CES eligibility for at least five (5) years and been conferred with appropriate CESO rank by the President by virtue of this Act.

Section 10. *Survivorship Pension Benefits.* Upon the death of a CES member, if such CES member has retired, or was eligible to retire optionally at the time of death, the surviving legitimate spouse shall be entitled to receive Survivorship Pension Benefits. The surviving legitimate spouse shall continue to receive such retirement benefits until the surviving spouse's death or remarriage.

Section 11. *Automatic Increase.* – All pension benefits of retired CES member shall be automatically increased whenever there is an increase in the salary and allowance of the same position from which he/she retired.

Section 12. *Limitations.* – A CES member shall not be entitled to special allowances and retirement benefits under this Act if he/she is already covered by any law providing the same allowances and benefits, unless the special allowances and retirement benefits under this Act are higher, in which case, he/ she shall receive the higher allowances and benefits. When a CES member covered under this Act shall assume an elective public office, he/she shall not, upon assumption of office and during his/her term, receive the monthly pension or any of the allowance due to him/her.

Section 13. *Penalty.* A CES member or any person who is found to have cheated or manipulated any performance rating, evaluation, or process for purposes of being able to avail the benefits provided under this law shall be punished with prison correccional, with perpetual disqualification from holding public office and forfeiture of all retirement benefits and other emoluments.

A CES member who has been administratively charged, found guilty, and meted with a penalty, in whatever degree or kind, shall be disqualified from the all benefits provided in this Act.

Section 14. *No Retroactivity.* – The benefits mentioned in Sections 8 and 9 hereof shall not be granted to all those who retired prior to the effectivity of this Act.

Section 15. *Implementing Rules and Regulations.* – The DBM, CESB, and NUCESO shall issue the necessary rules and regulations for the effective implementation of this Act not later than ninety (90) days from approval hereof

Section 16. *Appropriations.* – The amount needed for the initial implementation of this Act shall be charged against the current year's appropriation of the concerned agencies. Thereafter, such sums as may be necessary for the continued implementation of this Act shall be included in the annual General Appropriations Act

Section 17. *Separability Clause.* – If any provision of this Act is declared invalid or unconstitutional, the other provisions not affected by such declaration shall remain in full force and effect.

Section 18. *Repealing Clause.* – All laws, presidential decrees, executive orders, administrative orders, and rules and regulations inconsistent with this Act are hereby repealed, modified or amended accordingly.

Section 19. *Effectivity.* – This Act shall take effect fifteen (15) days after its complete publication in the *Official Gazette* or in two (2) newspapers of general circulation.

Approved,