

Republic of the Philippines  
**HOUSE OF REPRESENTATIVES**  
Constitution Hills, Quezon City

**NINETEENTH CONGRESS**  
Second Regular Session

House Bill No. **8858**



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Introduced by: **REPRESENTATIVE EDWIN L. OLIVAREZ**

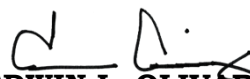
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**EXPLANATORY NOTE**

The Government Service Insurance System (GSIS) was created to provide a defined social security and financial benefit scheme to all government employees and their qualified dependents in forms of optional and compulsory life insurance, retirement, separation, and employee's compensation benefits and service privileges such as loan assistance. Nonetheless, in order to avail of retirement benefits from the GSIS, there are requirements to be complied with by its members such as the mandated fifteen (15) years of government service. This requirement serves to be convoluted as the 15-year requirement may not be met by most of elected government officials, whose maximum term of office allowed by law was fixed to three (3) or a total of nine (9) years only, save from the President which has a term of six (6) years and the Senators who are allowed to serve for two (2) terms or twelve (12) years.

It is only reasonable for these elected government officials who were not able to complete the 15-year requirement but were able to serve maximum terms of office to be given the option to make voluntary contributions to the GSIS for them to qualify for the monthly pension upon reaching the retirement age. This Bill intends to amend Republic Act No. 8291 by giving qualified elected government officials a. option to continue their membership in GSIS by opting to pay voluntary contributions upon serving the maximum term of office as allowed by law.

In view of the foregoing, the passage of this Bill is earnestly sought.

  
**EDWIN L. OLIVAREZ**

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**AN ACT PROVIDING FOR AN OPTION FOR QUALIFIED ELECTED OFFICIALS TO PAY VOLUNTARY CONTRIBUTION TO THE GOVERNMENT SERVICE INSURANCE SYSTEM (GSIS) TO ENABLE THEM TO COMPLETE THE MINIMUM YEARS OF SERVICE, AMENDING FOR THE PURPOSE SECTIONS 13 AND 13-A OF REPUBLIC ACT NO. 8291, OTHERWISE KNOWN AS THE “GOVERNMENT SERVICE INSURANCE ACT OF 1997”**

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

**SECTION 1.** Section 13 of Republic Act 8291 is hereby amended as follows:

**“SEC. 13. Retirement Benefits.**

*(a) Retirement benefit shall be:*

- (1) The lump sum payment as defined in this Act payable at the time of retirement plus an old-age pension benefit equal to the basic monthly pension payable monthly for life, starting upon expiration of the five-year (5) guaranteed period covered by the lump sum; or*
- (2) Payment equivalent to eighteen (18) months of his basic monthly pension plus monthly pension for life payable immediately with no five-year (5) guarantee.*

*(b) Unless the service is extended by appropriate authorities, retirement shall be compulsory for an employee at sixty-five (65) years of age with at least fifteen (15) years of service: Provided, That if he has less than fifteen (15) years of service, he may be allowed to continue in the service in accordance with existing civil service rules and regulations. Provided further, that elected officials who have completed their maximum elected terms shall have the option to continue their membership in the GSIS and pay voluntary contribution to the GSIS and enable them to complete the minimum fifteen (15)-year service requirement under this Act thereby enabling them entitlement to retirement benefits under this Act.”*

**SECTION 2.** Section 13-A of Republic Act 8291 is hereby amended to read as follows:

*“SEC. 13-A. Conditions for Entitlement. – A member who retires from service shall be entitled to the retirement benefits in paragraph (a) of Section 13 hereof. Provided, that:*

- (1) He has rendered at least fifteen (15) years of service or in cases of elected officials who have served their maximum elected terms and have availed the option to pay voluntarily to the GSIS have completed the fifteen-year service equivalent to the contributions to the GSIS;*
- (2) He is at least sixty (60) years of age at the time of retirement; and*
- (3) He is not receiving a monthly pension benefit from permanent total disability.*

**SECTION 3. Non-Diminution of Retirement and Separation Benefit.** – Nothing herein contained shall diminish the retirement and separation benefits already enjoyed under the laws that existed at the time of retirement.

**SECTION 4. Implementing Rules and Regulations.** – The GSIS and the Office of the President, in coordination with the Department of Finance (DOF), Department of Interior and Local Government (DILG), and Department of Budget and Management (DBM) shall, within sixty (60) days from effectivity of this Act, promulgate the rules and regulations necessary for the effective implementation of this Act.

**SECTION 5. Separability Clause.** – If any provision of this Act is declared invalid, the remainder or any of this provision hereof not affected thereby shall remain in force and effect.

**SECTION 6. Repealing Clause.** – All laws, decrees, executive orders, presidential issuances and other administrative rules and regulations or parts thereof which are inconsistent with this Act are hereby repealed, amended or modified accordingly.

**SECTION 7. Effectivity.** – This Act shall take effect fifteen (15) days after its publication in at least two (2) national newspapers of general circulation.

**Approved,**