

NINETEENTH CONGRESS OF THE)
REPUBLIC OF THE PHILIPPINES)
Second Regular Session)



HOUSE OF REPRESENTATIVES
H.B. No. 9512

*Introduced by Deputy Speaker and
TUCP Party-list Rep. Raymond Democrito C. Mendoza*

AN ACT
UPGRADING AND CREATING ADDITIONAL POSITIONS IN THE
OFFICE OF THE GOVERNMENT CORPORATE COUNSEL, AMENDING
FOR THE PURPOSE EXECUTIVE ORDER NO. 878 DATED 4 MARCH
1983, AS AMENDED BY EXECUTIVE ORDER NO. 299 DATED 26
JULY 1987

EXPLANATORY NOTE

This Bill reintroduces the previously vetoed bill on the Office of the Government Corporate Counsel (OGCC), subject to certain revisions to address the Veto Message dated 22 July 2022 of His Excellency President Ferdinand Romualdez Marcos, Jr.

Even as the President may have vetoed the OGCC bill passed during the Eighteenth Congress, he particularly recognizes the need to strengthen the OGCC given the growth in the number of government corporations in the recent years coupled with the complexity of their requirements brought on by current business conditions. The additional complement of lawyers and the upgrading of existing positions in the OGCC are necessary to strengthen its organizational structure, improve the service that it provides, and accord its men and women the privileges and benefits presently enjoyed by their counterparts in the Judiciary and the Justice Sector which includes the National Prosecution Service (NPS), the Public Attorney's Office (PAO), and the Office of the Solicitor General (OSG).

Government corporations have a crucial role in the country's economic development. They annually contribute tens of billions to the nation's coffers (approximately PhP375 Billion in 2022), and are the indispensable partners of the National Government in nation building, particularly in the pursuit of government projects, programs, and initiatives. Notably, the number of government corporations has greatly increased to seven hundred thirty two (732) to date.

The OGCC’s vital role in nation building is evident in its stalwart legal support to its client corporations. The assistance it renders is based on institutional knowledge and specialization, given the vast experience and collective wisdom which it has achieved in almost a century of public service which began in 1935.

However, the evolution and broadening of the scope of activities of government corporations have resulted in an increase in the volume, complexity, and importance of the work of the OGCC. Thus, it is necessary to strengthen the OGCC’s current complement to maintain its effectiveness in addressing the legal needs of its clients, particularly corporations which do not have internal legal departments.

The proposed legislative measure shall strengthen the applicable laws and issuances on the organizational structure of the OGCC, to create new positions in its hierarchy and augment the OGCC’s present complement with an additional thirty-six (36) lawyer positions, thus:

Position	Current number of positions	Proposed number of positions
Assistant Government Corporate Counsel	10	12
Government Corporate Attorney IV	10	12
Government Corporate Attorney III	14	14
Government Corporate Attorney II	17	17
Government Corporate Attorney I	4	12
Associate Government Corporate Attorney II	0	12
Associate Government Corporate Attorney I	0	12
Total number of lawyers	55	91

The upgrading of the rank, salary grades, privileges, and benefits of the OGCC lawyers is designed to keep them at par with the ranks, salary grades, privileges, and benefits of counterpart positions in the Department of Justice and its attached agencies, particularly those in the NPS, the PAO, and the OSG, thus:

LAWYER POSTIIONS IN THE DEPARTMENT OF JUSTICE					
Required number of years in the practice of law	Present OGCC Position and Salary Grade	Proposed OGCC Position and Salary Grade	OSG Position and Salary Grade	NPS Position and Salary Grade	PAO Position and Salary Grade
	Executive Order No. 878, as amended	(Proposed Act)	Republic Act 9417 (2007)	Republic Act 10071 (2010)	Republic Act 9406 (2007)

15	Assistant Government Corporate Counsel (SG 29) <i>Present</i> Regional Trial Court Judge level	Assistant Government Corporate Counsel (SG 30) <i>Proposed</i> Associate Justice of the Court of Appeals level	Assistant Solicitor General (SG 30) Associate Justice of the Court of Appeals level	Prosecutor V (Senior Deputy State, Regional, Provincial or City Prosecutor) (SG 30) Associate Justice of the Court of Appeals level	Deputy Chief Public Attorney (same salary and privileges as the counterpart position in the NPS)
10	Government Corporate Attorney IV (SG 28) <i>Present</i> Metropolitan Trial Court Judge level	Government Corporate Attorney IV (SG 29) <i>Proposed</i> Regional Trial Court Judge level	Senior State Solicitor General (SG 29) Regional Trial Court Judge level	Prosecutor IV (Deputy State, Regional, Provincial, or City Prosecutor) (SG 29) Regional Trial Court Judge	Public Attorney V (same salary and privileges as the counterpart position in the NPS)
5	Government Corporate Attorney III (SG 27) <i>Present</i>	Government Corporate Attorney III (SG 28) <i>Proposed</i> Metropolitan Trial Court Judge level	State Solicitor II (SG 28) Metropolitan Trial Court Judge level	Prosecutor III (Senior Assistant State, Regional, Provincial or City Prosecutor) (SG 28) Metropolitan Trial Court Judge level	Public Attorney IV (same salary and privileges as the counterpart position in the NPS)

The budget necessary to implement this proposed legislative measure, if passed into law, would have minimal to nil impact on the National Budget, but is expected to have maximum yield.

It is worthy to note that, to date, the Department of Budget and Management (DBM) allowed the OGCC a total number of eighteen (18) coterminous lawyer positions (referred to as BBM and PPP lawyers) in recognition of the need to augment its present complement. In this regard, the intended creation of additional *plantilla* positions would be far more expedient. There would be minimal budgetary requirements in view of the OGCC's present structure which already incorporates the expenses for 18 coterminous lawyer positions.

The required budget would improve the efficiency and morale of the OGCC, effectively result in significant savings for the government, and minimize deputization and the engagement by client corporations of external counsel. The OGCC is expected to supervise the legal departments of its client government corporations, assist its growing number of client corporations without legal departments, perform necessary corporate tasks, and handle more cases and concerns of its clients which, due to the lack of adequate personnel, would previously require the engagement of external counsel.

It is significant to note that the OGCC's organizational structure and the number of its personnel have remained unchanged since the 1980's, or for approximately four decades. Notably, the strengthening of its counterpart agencies, specifically the PAO, OSG, and NPS, had been approved in the years 2007 and 2010 and implemented through Republic Act (R.A.) 9406 (2007), R.A. 9417 (2007), and R.A. 10071 (2010), respectively.

Given its growing number of clients and insufficient number of lawyers, the OGCC was constrained to confirm and ratify its client corporations' requests for the engagement of external counsel, for additional manpower and to ensure that its clients' cases were properly handled. The need to undertake dispute resolution such as compulsory arbitration, enhance legal risk management, and improve remedial structures has exponentially grown, to include actions filed in international fora which require expeditious and diligent attention. The rigors of arbitration, whether domestic or international, in this decade alone required additional manpower particularly given the financial impact of such arbitration cases and the magnitude of their effect on public welfare.

The OGCC's workforce should, therefore, be augmented to sufficiently address the developing requirements and legal concerns of the government corporate sector.

IN VIEW OF THE FOREGOING, the immediate passage of this Bill is earnestly sought.



RAYMOND DEMOCRITO C. MENDOZA

*Deputy Speaker and
Representative, TUCP Party-list*

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1983, AS AMENDED BY EXECUTIVE ORDER NO. 299 DATED 26
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Be it enacted by the Senate and House of Representatives of the
Philippines in Congress assembled:

Section 1. Section 1 of Executive Order (EO) No. 878, as amended
by EO No. 299, is hereby further amended, as follows:

SECTION 1. The Office of the Government Corporate
Counsel (OGCC) shall be headed by the Government Corporate
Counsel whose rank, SALARY, RETIREMENT AND PENSION
BENEFITS, RIGHTS, emoluments and privileges, shall be the
same as those of the Presiding Justice of the Court of Appeals.
He shall be assisted by a Deputy Government Corporate
Counsel whose rank, SALARY, RETIREMENT AND PENSION
BENEFITS, RIGHTS, emoluments, and privileges shall be the
same as those of an Associate Justice of the Court of Appeals,
and ~~ten (10)~~ TWELVE (12) Assistant Government Corporate
Counsels WITH THE rank, SALARY, RETIREMENT AND
PENSION BENEFITS, RIGHTS, emoluments, and privileges ~~shall~~
~~be the same as those of [Regional Trial Judge of the Regional~~
~~Trial Courts]~~ AN ASSOCIATE JUSTICE OF THE COURT OF
APPEALS. THE SALARY GRADE CORRESPONDING TO THE
POSITION OF THE DEPUTY GOVERNMENT CORPORATE
COUNSEL SHALL BE FOUR (4) STEPS ABOVE THE SALARY
GRADE CORRESPONDING TO THE POSITION OF AN
ASSISTANT GOVERNMENT CORPORATE COUNSEL.

1
2 ~~[The Government Corporate Counsel, Deputy~~
3 ~~Government Corporate Counsel, and Assistant Government~~
4 ~~Corporate Counsels must be officers learned in law, of~~
5 ~~recognized competence, with experience in the practice of law~~
6 ~~for at least ten (10) years, and at least thirty five (35) years of~~
7 ~~age.]~~
8

9 NO PERSON SHALL BE APPOINTED GOVERNMENT
10 CORPORATE COUNSEL, DEPUTY GOVERNMENT CORPORATE
11 COUNSEL, OR ASSISTANT GOVERNMENT CORPORATE
12 COUNSEL UNLESS HE OR SHE IS A NATURAL-BORN CITIZEN
13 OF THE PHILIPPINES AND HAS BEEN ENGAGED IN THE
14 PRACTICE OF LAW IN THE PHILIPPINES FOR AT LEAST
15 FIFTEEN (15) YEARS.
16

17 The incumbent Government Corporate Counsel, Deputy
18 Government Corporate Counsel, and Assistant Government
19 Corporate Counsels shall be entitled to the RANK, SALARY,
20 RETIREMENT AND PENSION BENEFITS, rights, emoluments
21 and privileges vested upon them BY THIS ACT as of the time of
22 their appointments, AND without need of further appointments.
23

24
25 **Sec. 2.** Section 4 of EO No. 878, as amended by EO No. 299, is
26 hereby further amended, as follows:
27

28 Section 4. The number, rank, qualifications for
29 appointment, emoluments and privileges of the other members
30 of the legal staff of OGCC shall be as follows:
31

32 ~~[(a) A first bracket of ten (10) State Corporate Attorneys~~
33 ~~who shall have the rank, qualifications for~~
34 ~~appointment, emoluments and privileges of~~
35 ~~Metropolitan Trial Judges;]~~
36

37 A. TWELVE (12) GOVERNMENT CORPORATE
38 ATTORNEY IV (GCA IV) POSITIONS. A GCA IV
39 SHALL HAVE THE RANK, SALARY, RETIREMENT
40 AND PENSION BENEFITS, RIGHTS, EMOLUMENTS,
41 AND PRIVILEGES OF A JUDGE OF A REGIONAL
42 TRIAL COURT. NO PERSON SHALL BE APPOINTED
43 AS GCA IV UNLESS HE OR SHE IS A NATURAL-
44 BORN CITIZEN OF THE PHILIPPINES AND HAS

1 BEEN ENGAGED IN THE PRACTICE OF LAW IN THE
2 PHILIPPINES FOR AT LEAST TEN (10) YEARS;
3
4

5 ~~[(b) A second bracket of seven (7) State Corporate~~
6 ~~Attorneys whose annual compensation shall be as~~
7 ~~provided in Presidential Decree No. 1726 and who~~
8 ~~must be members of the Philippine Bar and have at~~
9 ~~least three (3) years experience in the practice of~~
10 ~~law;]~~

11
12 B. FOURTEEN (14) GOVERNMENT CORPORATE
13 ATTORNEY III (GCA III) POSITIONS. A GCA III
14 SHALL HAVE THE RANK, SALARY, RETIREMENT
15 AND PENSION BENEFITS, RIGHTS, EMOLUMENTS,
16 AND PRIVILEGES OF A JUDGE OF A
17 METROPOLITAN TRIAL COURT. NO PERSON SHALL
18 BE APPOINTED GCA III UNLESS HE OR SHE IS A
19 NATURAL-BORN CITIZEN OF THE PHILIPPINES
20 AND HAS BEEN ENGAGED IN THE PRACTICE OF
21 LAW IN THE PHILIPPINES FOR AT LEAST FIVE (5)
22 YEARS;
23

24 ~~[(c) A third and a fourth bracket of seven (7) State~~
25 ~~Corporate Attorneys each whose annual compensation~~
26 ~~shall be as provided in Presidential Decree No. 1726~~
27 ~~and who must be members of the Philippine Bar and~~
28 ~~have at least two (2) years experience in the practice~~
29 ~~of law;]~~

30
31 C. SEVENTEEN (17) GOVERNMENT CORPORATE
32 ATTORNEY II (GCA II) POSITIONS. A GCA II SHALL
33 BE A NATURAL-BORN CITIZEN OF THE
34 PHILIPPINES AND HAS BEEN ENGAGED IN THE
35 PRACTICE OF LAW IN THE PHILIPPINES FOR AT
36 LEAST FOUR (4) YEARS;
37

38 ~~[(d) Ten (10) Trial Attorneys whose annual compensation~~
39 ~~each shall be as provided in Presidential Decree No.~~
40 ~~1726 and who must be members of the Philippine Bar~~
41 ~~and have at least one (1) year experience in the~~
42 ~~practice of law;]~~

43
44 D. TWELVE (12) GOVERNMENT CORPORATE
45 ATTORNEY I (GCA I) POSITIONS. A GCA I SHALL

1 BE A NATURAL-BORN CITIZEN OF THE
2 PHILIPPINES AND HAS BEEN ENGAGED IN THE
3 PRACTICE OF LAW IN THE PHILIPPINES FOR AT
4 LEAST THREE (3) YEARS;

5
6 ~~[(e) A Senior Research Attorney and five (5) Research~~
7 ~~Attorneys whose annual compensation shall be as~~
8 ~~provided in Presidential Decree No. 1726 and who~~
9 ~~must be members of the Philippine Bar.]~~

10
11 E. TWELVE (12) ASSOCIATE GOVERNMENT
12 CORPORATE ATTORNEY II (AGCA II) POSITIONS.
13 AN AGCA II SHALL BE A NATURAL-BORN CITIZEN
14 OF THE PHILIPPINES AND HAS BEEN ENGAGED IN
15 THE PRACTICE OF LAW IN THE PHILIPPINES FOR
16 AT LEAST TWO (2) YEARS; AND

17
18 F. TWELVE (12) ASSOCIATE GOVERNMENT
19 CORPORATE ATTORNEY I (AGCA I) POSITIONS. AN
20 AGCA I SHALL BE NATURAL-BORN CITIZEN OF THE
21 PHILIPPINES AND A MEMBER OF THE PHILIPPINE
22 BAR.

23
24 ~~[The number and salaries/compensation of the~~
25 ~~members of the Administrative and support staff of~~
26 ~~the OGCC shall be those indicated in the Staffing~~
27 ~~Pattern and salary schedule attached hereto as Annex~~
28 ~~"A".]~~

29
30 THE INCUMBENT MEMBERS OF THE LEGAL STAFF SHALL
31 BE ENTITLED TO THE RIGHTS, SALARY, BENEFITS AND
32 PRIVILEGES VESTED UPON THEM BY THIS ACT AS OF THE
33 TIME OF THEIR APPOINTMENT WITHOUT NEED OF FURTHER
34 APPOINTMENT.

35
36
37 **Sec. 3.** Section 5 of EO No. 878, as amended by EO No. 299, is
38 hereby further amended, as follows:

39
40 ~~[SEC. 5. The Government Corporate Counsel is hereby~~
41 ~~authorized to reorganize his legal and administrative/support~~
42 ~~staff within three months in such manner as he may deem~~
43 ~~proper to promote the efficiency of the service. Any member of~~
44 ~~the staff not otherwise selected/appointed by the Government~~
45 ~~Corporate Counsel as a result of the reorganization herein~~

1 authorized, or who refuses such appointment, shall be paid the
2 money value of his accumulated vacation and sick leave, and
3 such retirement gratuity as may be due him under existing
4 retirement laws. Anyone not appointed who does not qualify
5 under any existing retirement law may be paid one month
6 salary for every year of service, payable in lump sum, from out
7 of the salary lapses in the Office of the Government Corporate
8 Counsel.}]

9
10 SECTION 5. ORGANIZATIONAL STRUCTURE. –THE
11 GOVERNMENT CORPORATE COUNSEL HAS THE AUTHORITY
12 TO DISCHARGE THE DUTIES AND FUNCTIONS OF THE OGCC,
13 AND SHALL HAVE CONTROL AND SUPERVISION OVER THE
14 OGCC AND ITS CONSTITUENT UNITS. THE GOVERNMENT
15 CORPORATE COUNSEL SHALL PROMULGATE THE NECESSARY
16 RULES AND REGULATIONS FOR THE IMPLEMENTATION OF
17 THE PROVISIONS OF THIS ACT. UNLESS OTHERWISE
18 DETERMINED BY THE GOVERNMENT CORPORATE COUNSEL,
19 THE LEGAL STAFF SHALL BE DIVIDED INTO TEAMS, EACH TO
20 BE HEADED BY AN AGCC.

21
22 THE OGCC SHALL BE SUPPORTED BY SUCH NUMBER OF
23 NON-LEGAL PERSONNEL NECESSARY AND COMMENSURATE
24 TO THE OGCC'S WORK REQUIREMENTS, AS RECOMMENDED
25 BY THE OGCC AND APPROVED BY THE DEPARTMENT OF
26 BUDGET AND MANAGEMENT. NON-LEGAL PERSONNEL SHALL
27 HAVE THE SAME SALARIES AND BENEFITS AS THOSE OF
28 THEIR COUNTERPARTS IN THE OFFICE OF THE SOLICITOR
29 GENERAL.

30
31 THE ADMINISTRATIVE STRUCTURE OF THE OGCC SHALL
32 BE COMPOSED OF ITS SECRETARIAL AND LEGAL SUPPORT
33 SERVICE; TRAINING, RESEARCH, AND PUBLICATION SERVICE;
34 FINANCE AND ACCOUNTING SERVICE; HUMAN RESOURCE
35 AND MANAGEMENT SERVICE; CASE AND RECORDS
36 MANAGEMENT SERVICE; LIBRARY MANAGEMENT AND
37 INFORMATION TECHNOLOGY SERVICE; CORPORATE
38 PLANNING SERVICE; AND PROPERTY AND SUPPLY SERVICE.
39 THE LEGAL AND NON-LEGAL PERSONNEL OF THE OGCC
40 OCCUPYING THE POSITIONS AFFECTED BY THE CHANGES
41 EMBODIED IN THIS ACT AT THE TIME OF ITS APPROVAL
42 SHALL THEREAFTER OCCUPY AND DISCHARGE THE DUTIES
43 AND FUNCTIONS OF THE UPGRADED POSITIONS AND
44 RECEIVE THE CORRESPONDING SALARY, BENEFITS,

1 EMOLUMENTS, AND PRIVILEGES WITHOUT NECESSITY OF
2 NEW APPOINTMENTS.

3
4
5 **Sec. 4.** Section 7 of EO No. 878, as amended by EO No. 299, is
6 hereby further amended as follows:

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8 SECTION 7. [~~In addition to the appropriation for the Office of~~
9 ~~the Government Corporate Counsel, the savings of the said office, if~~
10 ~~any, may be used to carry out this Executive Order.]~~
11 APPROPRIATIONS. - THE AMOUNT NEEDED TO IMPLEMENT THE
12 UPGRADING OF POSITIONS AND SALARIES, OFFICE RIGHT-SIZING,
13 PHYSICAL EXPANSION, AND PAYMENT OF RETIREMENT BENEFITS,
14 PENSION, PRIVILEGES, AND OTHER EMOLUMENTS PROVIDED IN
15 THIS ACT SHALL BE TAKEN FROM THE FUNDS AND BUDGET OF
16 THE OGCC UNDER THE ANNUAL GENERAL APPROPRIATIONS ACT.

17
18
19 **Sec. 5.** REPEALING CLAUSE. - ALL LAWS, PRESIDENTIAL DECREES,
20 EXECUTIVE ORDERS, PRESIDENTIAL PROCLAMATIONS, ISSUANCES,
21 RULES AND REGULATIONS, OR PARTS THEREOF THAT ARE
22 INCONSISTENT WITH THE PROVISIONS OF THIS ACT ARE HEREBY
23 REPEALED AND/OR MODIFIED ACCORDINGLY.

24
25
26 **Sec. 6.** EFFECTIVITY. - THIS ACT SHALL TAKE EFFECT AFTER
27 FIFTEEN (15) DAYS FOLLOWING ITS COMPLETE PUBLICATION IN
28 THE OFFICIAL GAZETTE OR IN A NEWSPAPER OF GENERAL
29 CIRCULATION.

30
31
32 APPROVED,