

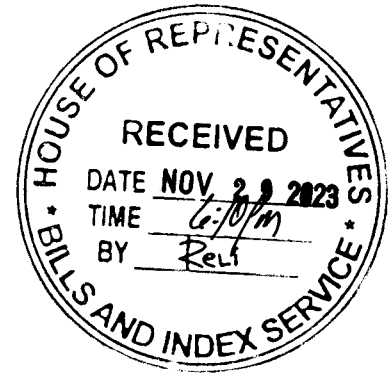


Republic of the Philippines
House of Representatives
Quezon City, Metro Manila

Nineteenth Congress

Second Regular Session

House Bill No. 9638



Introduced by:
HON. MARISSA "DEL MAR" MAGSINO
OFW PARTY LIST

EXPLANATORY NOTE

The barangay is the basic political unit in the Philippines and has the core function of bridging the government closer to the local communities and constituents.

Today, there are more than 42,000 barangays across our archipelago. With the *Punong Barangay* at its helm, together with its council of *Barangay Kagawads* and *Sangguniang Kabataan* officials, and other officers, barangays serve as the building blocks of our country's decentralized local government system, enabling a more effective governance at the grassroots level. They also play crucial roles in community development and in the maintenance of public order and safety.

However, barangay officials are yet to be recognized as government employees, particularly in reference to membership in the Government Service Insurance System (GSIS).

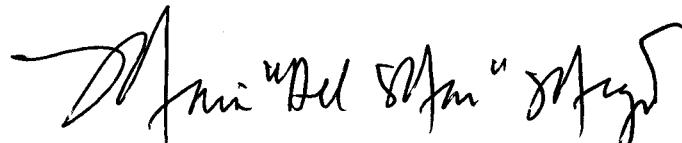
This bill mandates the compulsory coverage of barangay officials in the GSIS with their respective barangay political units to be deemed as their employers for purposes of providing for the employer's counterpart to their personal contributions, whether based on their present allowances or fixed salaries that may be granted by law in the future. In the implementation of this mandate, the GSIS shall develop and administer a special social security program for barangay officials taking into account the nature and character of their employment and/or service.

Moreover, to support funding for the purpose, this bill proposes the provision of subsidies by the National Government to barangay political units belonging to third (3rd), fourth (4th), fifth (5th), and sixth (6th) class municipalities, which shall be included

in the Local Government Support Fund in the annual General Appropriations Act. Furthermore, provinces, cities, or municipalities, subject to availability of their respective funds, are also encouraged to subsidize, in part or full, the employer's counterpart contribution of barangay political units under their respective jurisdictions.

With the proposed measure, barangay officials across the country can qualify for retirement benefits and loans, such as housing, salary, education, and calamity loans. Given their contributions to the community as front-liners of government service, it is high time that we accord them the recognition and benefits the State is supposed to give to its workers.

For the foregoing reasons, the immediate consideration and approval of this bill is earnestly urged.



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AN ACT
MANDATING THE COMPULSORY COVERAGE OF BARANGAY OFFICIALS IN THE
GOVERNMENT SERVICE INSURANCE SYSTEM (GSIS), AMENDING FOR THE
PURPOSE PRESIDENTIAL DECREE NO. 1146, AS AMENDED BY REPUBLIC ACT NO.
8291 ENTITLED 'THE GOVERNMENT SERVICE INSURANCE SYSTEM ACT OF 1997',
AND FOR OTHER PURPOSES

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

Section 1. Short Title – This Act shall be known as the ‘Mandatory GSIS Coverage for Barangay Officials Act’.

Section 2. Declaration of Policy – It is hereby declared the policy of the State to promote the welfare of barangay officials who make democracy function and facilitate the delivery of social services to constituents in the basic territorial and political subdivision of the government. Towards this end, the State shall ensure that barangay officials are covered by the insurance and retirement system for government workers under existing laws.

Section 3. Compulsory Coverage – Barangay officials shall be included in the compulsory membership of the Government Service Insurance System (GSIS) under Section 3 of Presidential Decree No. 1146 as amended by Republic Act No. 8291, entitled the Government Service Insurance Act of 1997. For purposes of this Act, ‘barangay officials’ shall refer to elective and appointive positions in the barangay political unit in accordance with Section 387 and Section 423 of Republic Act No. 7160, or the Local Government Code of 1991. Their respective barangay political units shall be deemed as their employers for purposes of this Act, subject to Section 5 of this Act.

The GSIS shall develop and administer a special social security program for barangay officials taking into account the nature and character of their employment: *Provided*, That the program may have different contributions and benefits which must be fair, equitable and actuarially viable.

Section 4. Section 2(d) of Presidential Decree No. 1146 as amended by Republic Act No. 8291, is hereby further amended to read as follows:

Section 2. *Definition of Terms.*- Unless the context otherwise indicates, the following terms shall mean:

(a) xxxx

xxxx

(d) *Employee or Member*- Any person receiving compensation while in the service of an employer as defined herein, whether by election or appointment, irrespective of status of appointment, including barangay [~~and Sanggunian~~] officials **WHETHER OR NOT RECEIVING FIXED MONTHLY COMPENSATION: PROVIDED, THAT IN THE CASE OF BARANGAY OFFICIALS, THEY SHALL BE DEEMED AS SELF-EMPLOYED MEMBERS FOR PURPOSES OF COMPUTING THEIR CONTRIBUTION TO THE SYSTEM: PROVIDED FURTHER, THAT WHEN FIXED COMPENSATION OR SALARY IS GRANTED TO THEM BY LAW, THE SAME SHALL BE THE BASIS OF COMPUTATION OF THEIR CONTRIBUTION TO THE SYSTEM.**

Section 5. Subsidy From the National Government and the Local Government Units (LGUs) - The employer's counterpart to the personal contributions of the barangay officials shall be charged to the regular funds of their respective barangay political units: *Provided*, That barangay political units belonging to third (3rd), fourth (4th), fifth (5th) and sixth (6th) class municipalities shall receive subsidies from the National Government to be included in the Local Government Support Fund in the annual General Appropriations Act to support the employer's counterpart contributions: *Provided further*, That provinces, cities, or municipalities, subject to availability of their respective funds, may also subsidize, in part or full, the employer's counterpart contribution of barangay political units under their respective jurisdictions.

Section 6. Limitation of the Coverage - Barangay officials who are already enjoying insurance, retirement, disability, separation, unemployment benefits, health and medical insurance from the government shall not be covered by this Act.

Section 7. Implementing Rules and Regulations - Withing ninety (90) days from the effectivity of this Act, the GSIS, in coordination and in consultation with the Department of the Interior and Local Government (DILG), the Department of Finance (DOF), and *the*

Liga ng mga Barangay, shall promulgate the rules and regulations necessary for the effective implementation of this Act.

Section 8. *Separability Clause* - If for any reason, any part or provision of this Act shall be declared or held to be unconstitutional or invalid, the other parts or provisions hereof which are not affected thereby shall continue to be in full force and effect.

Section 9. *Repealing Clause* - All republic acts, executive orders, rules and regulations, and other issuances, or parts thereof, that are inconsistent with the provisions of this Act are hereby repealed or modified accordingly.

Section 10. *Effectivity Clause* - This Act shall take effect fifteen (15) days after its publication in the Official Gazette or in at least two (2) national newspapers of general circulation.

Approved.