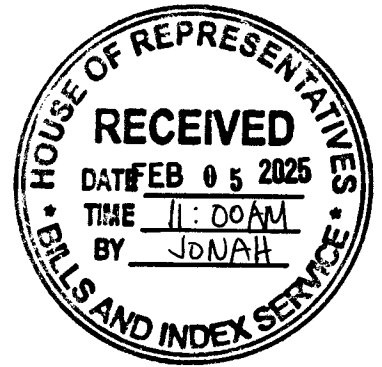


Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City

Nineteenth Congress
Third Regular Session

House Bill No. **11433**



Introduced by **REP. ELEANDRO JESUS F. MADRONA**

EXPLANATORY NOTE

This bill seeks to introduce policy and organizational reforms in the Philippine Coast Guard (PCG) by amending provisions of Republic Act No. 9993 or the Philippine Coast Guard Law in order to make the PCG more responsive in the execution of important mandates on maritime safety, maritime security and maritime environmental protection.

The bill, which is a product of extensive consultation and deliberation during the previous Congresses, will clarify the powers of key PCG officers, categorize personnel, properly classify ranks, define the qualification and tenure of office, provide necessary framework for disciplinary system, and will clarify the rules to be used in the computation of retirement benefits, among others. These reforms are critical in enhancing the PCG's capabilities and in ensuring effective maritime governance.

Given the significant contribution of the PCG to nation building, its vital role in responding not only to natural disasters but even in humanitarian action, and given its significant role in maintaining peace and security in the West Philippine Sea, we need to strengthen the agency to enable it to effectively respond and carry out the challenging mandates it was given.

In the current Congress, similar measure has been approved on 3rd Reading but was adopted with amendments by the Senate to initially focus on addressing the term of the PCG leadership, thereby retaining only the provision fixing the term of the Command by amending Section 5 of RA 9993.

Banking on the commitment of the Senate to pursue the measure that will introduce policy and organizational reforms in the PCG, the refiling of this bill is necessary.

In view of the foregoing, the immediate approval of this measure is earnestly requested.

A handwritten signature in black ink, appearing to be "Eleandro", written in a cursive style.

REP. ELEANDRO JESUS F. MADRONA

1 a) Administrative support commands shall consist of the Education
2 and Training, Internal Affairs Service, Surface Support Force, Financial
3 Management, Human Resource Management Service and Logistics;

4 b) The operational support commands shall consist of the Weapons,
5 Communications, Electronics and Information System Service, Special
6 Operations Force, Aviation Force, Community Relations Command and
7 Canine Enforcement Force;

8 c) The technical services shall consist of the Coast Guard Legal
9 Service, Medical Service, Ecumenical Service, Dental Service, Veterinary
10 Service, Medical Administrative Corps, Nurse Corps, and other technical
11 services that may or hereinafter be created as needed;

12 d) Operating commands shall consist of the fifteen (15) districts
13 located nationwide covering specific areas of responsibilities composed of
14 stations that shall have field offices called sub-stations down to
15 detachments or posts. These coast guard districts are: National Capital
16 Region-Central Luzon (CGD NCR-CL), Central Visayas (CGD CV),
17 Southwestern Mindanao (CGD SWM), Southeastern Mindanao (CGD
18 SEM), Palawan (CGD PAL), Western Visayas (CGD WV), Southern Tagalog
19 (CGD STL), Northern Mindanao (CGD NM), Bicol (CGD BCL),
20 Northwestern Luzon (CGD NWL), Eastern Visayas (CGD EV),
21 Northeastern Luzon (CGD NEL), Southern Mindanao (CGD SM),
22 Northeastern Mindanao (CGD NEM) and Coast Guard districts in BARMM
23 (CGDs BARMM): *Provided*, That the PCG may create other new districts
24 subject to existing laws; and

25 e) The Special Services consist of the Legislative Liaison Affairs,
26 Community Relations Service, Internal Audit, and Center for Strategic
27 Studies.

28 In addition to the basic structure of the PCG mentioned above, the
29 Commandant may, in the interest of public service and expediency of
30 service, recommend to reorganize districts, commands, services or units
31 under the PCG which shall be forwarded to the Secretary of Transportation
32 for adoption and submission to the Secretary of Budget and Management
33 for approval: *Provided*, That the minimum manning level of the PCG shall

1 be computed based on the total coastline of the Philippines with three (3)
2 uniformed personnel per (1) kilometer of coastline, which shall be filled in
3 accordance with the enlistment schedule approved by the Department of
4 Budget and Management: *Provided, further,* That the functional
5 commands, administrative support units, operational support units,
6 operating units, technical services and special services shall be authorized
7 and designated to perform all duties and functions of the PCG within their
8 individual areas of responsibility, including finance and procurement.

9 To enhance the capability and field expertise of uniformed personnel,
10 the PCG shall implement functional service specialization on its three (3)
11 core functional areas.

12 POWERS AND FUNCTIONS

13 **SEC. 4. *Powers and Functions of the PCG.*** - The PCG shall have
14 the following powers and functions:

15 a) Enforce regulations in accordance with all relevant maritime
16 international conventions, treaties or instruments and national laws for the
17 promotion of safety of life and property at sea within the maritime
18 jurisdiction of the Philippines and conduct port state control
19 implementation;

20 b) Conduct random inspections on all merchant ships and vessels,
21 including inspections prior to departure, to ensure and enforce compliance
22 with safety standards, rules and regulations;

23 c) Detain, stop, or prevent a ship or vessel which does not comply with
24 safety standards, rules and regulations from sailing or leaving port;

25 d) Conduct emergency readiness evaluation on merchant marine
26 vessels;

27 e) Issue and enforce rules and regulations for the promotion of safety
28 of life and property at sea on all maritime-related activities, subject to the
29 approval of the Secretary of the DOTr;

30 f) Determine, fix or prescribe charges, rates, and penalties, as may be
31 necessary, to implement its provisions, as well as the provisions of laws,
32 issuances, decrees, and orders related to the implementation of PCG
33 functions, subject to the approval of the Secretary of the DOTr;

- 1 g) Coordinate, develop, establish, maintain, and operate aids to
2 navigation, vessel traffic system, maritime communications, and search and
3 rescue facilities within the maritime jurisdiction of the Philippines;
- 4 h) Remove, destroy, or tow to port sunken or floating hazards to
5 navigation, including illegal fish traps and vessels, at or close to sea lanes
6 which may cause hazards to the marine environment;
- 7 i) Issue permits for the salvage of vessels and to supervise all marine
8 salvage operations and wreck removal, and to auction the abandoned
9 vessels or wrecks to defray the expenses of such removal, as well as
10 prescribe and enforce rules and regulations governing the same;
- 11 j) Render aid to persons and vessels in distress and conduct search
12 and rescue during maritime accidents within the maritime jurisdiction of
13 the Philippines, including the high seas, in accordance with applicable
14 international conventions. In the performance of this function, the PCG
15 may enlist the services of other government agencies and the merchant
16 marine fleet;
- 17 k) Investigate and inquire into the causes of all maritime accidents
18 involving death, casualties and damage to properties;
- 19 l) In coordination with other relevant government agencies, enforce
20 and maintain maritime security, and prevent or suppress terrorism at sea,
21 in accordance with pertinent laws, rules and regulations;
- 22 m) Assist in the enforcement of laws on fisheries, immigration,
23 tariff and customs, forestry, firearms and explosives, human trafficking,
24 dangerous drugs and controlled chemicals, transnational crimes, and other
25 applicable laws within the maritime jurisdiction of the Philippines;
- 26 n) Board and inspect all types of merchant ships and watercrafts in the
27 performance of these functions;
- 28 o) Promulgate, administer, and enforce laws, rules and regulations for
29 the protection of marine environment and resources from offshore sources
30 of pollution within the maritime jurisdiction of the Philippines;
- 31 p) Develop oil spill response, containment, and recovery capabilities
32 against ship-based pollution;
- 33 q) Grant, within the capabilities and consistent with its mandate,

1 requests for assistance of other government agencies in the performance of
2 their functions;

3 r) Organize, train and supervise the PCG Auxiliary (PCGA) for the
4 purpose of assisting the PCG in carrying out its mandated functions;

5 s) Recommend to the President of the Philippines the issuance of rules
6 and regulations pertaining to the assistance and support that the AFP
7 should extend to the PCG to enhance the latter's capability during
8 emergencies; and

9 t) Perform such other functions that may be necessary in the
10 attainment of the objectives of this Act.

11 THE PCG COMMANDANT

12 **SEC. 5. *The PCG Commandant.*** – The PCG shall be headed by a
13 Commandant who shall have the rank of Coast Guard Admiral: *Provided,*
14 That he or she shall be appointed by the President of the Philippines from
15 among the Flag Officers in the Coast Guard service. He or she shall hold a
16 command-at-sea badge and must have served as District Commander of the
17 PCG. The Commandant shall have a maximum term of three (3) years
18 which shall commence on the date the appointment is signed, unless sooner
19 terminated by the President. The PCG Commandant shall be compulsorily
20 retired upon completion of the maximum term or upon relief by the
21 President.

22 **SEC. 6. *Powers and Functions of the Commandant.*** – The
23 Commandant shall exercise the following powers and functions:

24 a) Elaborate and execute the national maritime laws relating to the
25 functions of the PCG, under the authority and direction of the President of
26 the Philippines;

27 b) Direct and control tactical as well as strategic movements,
28 deployment, placement, or utilization of the PCG or any of its units and
29 personnel, including its equipment, facilities and other resources: *Provided,*
30 That the Commandant may delegate this power to subordinate officials with
31 respect to the units under the latter's command, subject to the guidelines as
32 the Commandant may prescribe in accordance with existing laws, rules and
33 regulations;

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

4 d) Issue policies and instructions regarding personnel, funds,
5 properties, records, correspondence, and such other matters as may be
6 necessary to effectively carry out the functions, powers and duties of the
7 PCG, in accordance with existing laws, rules and regulations;

8 e) Approve the recommendation of the different promotion or
9 assignment boards and ensure observance of merit and fitness in the
10 process of promotion and assignment;

11 f) Exercise disciplinary authority over all uniformed personnel and
12 non-uniformed personnel of the PCG; and

13 g) Perform any task or directive issued by the President of the
14 Philippines: *Provided*, That such command and direction of the
15 Commandant may be delegated to subordinate officials with respect to the
16 units under the latter's respective commands, subject to the guidelines as
17 the Commandant may prescribe in accordance with the rules and regulation
18 prescribed under existing laws.

19 ADMINISTRATION AND PERSONNEL

20 **SEC. 7. *Personnel*.** – The PCG shall consist of the following categories
21 of personnel:

22 a) *Officer* refers to a uniformed member of the PCG who is
23 commissioned as officer by the President of the Philippines and belongs to
24 the officers' corps;

25 b) *Non-officer* refers to a general term for uniformed members of the
26 PCG with ranks below commissioned officers and performing jobs specific
27 to their occupational specialty. There are three classification of non-officers,
28 namely, strikers for those in grades E-1 to E-3, junior non-commissioned
29 officers for those in grades E-4 to E6, and senior non-commissioned officers
30 for ranks with equivalent grades of E-7 to E-10;

31 c) *Non-uniformed personnel* refer to the non-uniformed members of
32 the PCG who are appointed and employed under the Civil Service laws,
33 rules and regulations;

d) *Probationary ensign* refers to a person who is called to active duty but awaiting commissioning into the PCG or awaiting training;

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

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

g) *Candidate* refers to a person who is undergoing training for commissioning; and

h) *Trainee* refers to a person who is undergoing training to qualify as member of the non-officers' corps of the PCG:

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

SEC. 8. Ranks and Grades of PCG Officers. – The ranks and grades of PCG Officers shall be as follows:

<u>RANK</u>	<u>ACRONYM</u>	<u>PAY GRADE</u>
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

SEC. 9. Technical Officers. – Other professionals that may join the PCG service as technical officers are:

a) Lawyers;

b) Doctors;

c) Priests, Pastors, Imam, and other certified clerics;

d) Dentists;

e) Veterinarians; and

1 f) Nurses

2 *Provided*, That any applicant holding the degree of any of the
3 abovementioned professions shall have qualified and passed the
4 appropriate licensure examination, when applicable, of the respective
5 professions to be qualified for entry into the Coast Guard service: *Provided*,
6 *however*, That other board professions not listed above may still be recruited
7 as part of the technical stream upon verification of the PCG of its need
8 thereof.

9 **SEC. 10. Officer Rank Distribution.** - The officer rank distribution
10 of the PCG shall be as follows: two per centum (2%) in the Flag Officer rank;
11 six per centum (6%) in the rank of Coast Guard Captain; twelve per centum
12 (12%) in the rank of Coast Guard Commander; eighteen per centum (18%)
13 in the rank of Coast Guard Lieutenant Commander; twenty per centum
14 (20%) in the rank of Coast Guard Lieutenant Senior Grade; and forty-two
15 per centum (42%) in the ranks of Coast Guard Lieutenant Junior Grade and
16 Coast Guard Ensign: *Provided*, That such distribution is based on the ratio
17 between officers and non-officers, which is one (1) officer for every seven (7)
18 non-officers: *Provided, further*, That if the actual number in a rank is less
19 than the number prescribed in a lower rank, the difference may be applied
20 as an increase to the number prescribed in the lower rank.

21 **SEC. 11. Distribution of Flag Officers.** – Other than the
22 Commandant who occupies the rank of Admiral, the total number of flag
23 ranks shall not exceed two (2) percent of the total population of officers
24 distributed observing the pyramidal structure as hereunder prescribed:

25 Vice Admiral	0.15%
26 Rear Admiral	0.35%
27 Commodore	1.50%
28 Total	2.00%

29 *Provided*, That if the actual number in a rank, except in the case of Coast
30 Guard Admiral and Coast Guard Vice Admiral, is less than the number
31 herein prescribed, the difference may be applied as an increase to the
32 number prescribed in the lower rank: *Provided, further*, That no officer shall
33 be promoted to the rank of Coast Guard Commodore or higher unless there

1 is an existing vacancy, and the officer is occupying a position in the table of
2 organization that requires the rank which is being considered for promotion.

3 **SEC. 12. *Maximum Tenure in Rank.*** – The maximum tenure of
4 officers in the ranks of Captain and Flag Officer in the PCG are hereby
5 prescribed as follows:

<u>Rank</u>	<u>Maximum Tenure in Rank</u>
7 Admiral	three (3) years
8 Vice Admiral	three (3) years
9 Rear Admiral	three (3) years
10 Commodore	five (5) years
11 Captain	ten (10) years

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

20 **SEC. 13. *Maximum Tenure in Position of the Commandant.*** –
21 The Commandant is hereby limited to a maximum tenure of three (3) years,
22 unless otherwise earlier relieved by the President or competent authority.

23 **SEC. 14. *Ranks and Grades of Non-officers.*** – The ranks and pay
24 grades of PCG non-officers shall be as follows:

<u>RANK</u>	<u>ACRONYM</u>	<u>PAY GRADE</u>
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

SEC. 15. *Maximum Tenure in Rank for Non-officers.* – The maximum tenure of senior non-officers in the ranks of Chief Petty Officer to First Master Chief Petty Officer in the PCG are as follows:

<u>Rank</u>	<u>Maximum Tenure in Rank</u>
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 non-officer holding lower ranks than the above who stays in a rank for ten (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.

SEC. 16. *Non-uniformed Personnel.* – There shall be non-uniformed personnel positions in the PCG. The head of the non-uniformed personnel shall occupy a rank of Director III and shall be appointed by the President of the Philippines upon recommendation of the Commandant. The non-uniformed personnel shall establish their own *plantilla* positions to complement the strength of the PCG uniformed personnel.

SEC. 17. *Appointments.* – The appointment of the PCG Commandant and Flag Officers shall be approved by the President of the Philippines upon the recommendation of the Secretary of the DOTr. Appointments of all PCG non-officers shall be made by the PCG Commandant. Appointments of PCG officers, which shall be in the initial rank of Coast Guard Ensign shall be through a commissionship into service by the DOTr Secretary upon the recommendation of the Commandant.

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

8 Appointments as well as the promotion of all non-uniformed personnel
9 shall be in accordance with Civil Service Commission (CSC) laws, rules and
10 regulations.

11 **SEC. 18. *Basic Qualification for Uniformed Personnel.*** – To
12 qualify as officer or non-officer of the PCG, the applicant shall possess the
13 following at the time of application:

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

30 **SEC. 19. *Promotions of Officers and Non-officers.*** – The
31 promotion of PCG officers and non-officers shall be based on merit and
32 fitness in accordance with the following procedures:

- 33 a) Officers shall only be promoted after undergoing deliberation before

1 the promotion boards: *Provided*, That the promotion boards shall submit
2 the results of their deliberation to the Commandant for approval and
3 corresponding endorsement to the Secretary of the DOTr for transmittal to
4 the President of the Philippines for approval; and

5 b) There shall also be appropriate promotion boards for non-officers
6 whose recommendation shall be submitted to the Commandant for
7 approval:

8 *Provided, further*, That at the time of promotion, the officer or non-officers
9 concerned shall possess all the qualifications and none of the
10 disqualifications provided under pertinent laws, rules and regulations,
11 specifically on the completion of required career course, training,
12 examination and minimum time-in-grade as applicable for specific ranks.

13 **SEC. 20. Gender Sensitivity Program.** – Gender concerns shall be
14 addressed in all planning activities, setting of priorities, allocating of
15 resources, and identifying actions and activities of the PCG. It shall also
16 incorporate a gender sensitive perspective in the implementation of such
17 plans and programs.

18 Gender sensitivity shall also be mainstreamed in all its internal
19 policies, strategies, budget, projects, structures and mechanisms, including
20 hiring, promotions, assignment, training opportunities, pay and benefits. A
21 gender perspective shall likewise be integrated in all its training programs,
22 especially for maritime search and rescue.

23 **SEC. 21. PCG Insignia, Decorations and Awards.** – The PCG shall
24 have its own insignia and badges to denote rank, specialty, and assignment
25 including uniforms, decorations, and awards, all of which shall be submitted
26 to the National Historical Institute for registration in the flags and heraldic
27 list: *Provided*, That there shall be an established awards system which shall
28 be administered by the PCG under such rules and regulations as may be
29 promulgated with the approval of the Secretary of the DOTr.

30 **SEC. 22. Legal Assistance.** – The Secretary of the DOTr or the
31 Commandant of the PCG may authorize lawyers of their respective agencies
32 to provide legal assistance to any member of the PCG charged with an
33 offense or crime resulting from the performance or on occasion of official

1 duty. The government lawyers so authorized shall have the power to
2 administer oaths.

3 **SEC. 23. Power to Administer Oath.** – Officers of the PCG in the
4 active service with the grade of O-5 or when designated with appropriate
5 orders as administrative officer of a unit, shall have the power to administer
6 oaths on matters which are connected with the performance of their official
7 duties. Senior non-commissioned officers, those with grades E-7 to E10,
8 who are designated through appropriate orders, as Chief-Master-At-Arms
9 (CMAA) or unit master chief are also empowered to administer oaths.

10 **SEC. 24. Maritime and Coast Guard Attaché.** – The PCG shall
11 have maritime and coast guard attaché in the International Maritime
12 Organization, other international institutions, or as member of diplomatic
13 missions or embassies.

14 The assignment or deployment of the maritime or coast guard attaché
15 shall be with the prior approval of the Secretary of Foreign Affairs.

16 **PAYS, ALLOWANCES, AND BENEFITS**

17 **SEC. 25. Salaries and Other Benefits.** – The uniformed personnel
18 of the PCG shall receive the same base pay, hazard pay, and other benefits
19 and allowances as are now or hereafter may be authorized for corresponding
20 salary grades and ranks in the AFP. The salaries and allowances of the non-
21 uniformed personnel of the PCG shall be in accordance with existing CSC
22 laws, rules and regulations.

23 **SEC. 26. Longevity Pay and Allowances.** – Uniformed personnel of
24 the PCG shall be entitled to a longevity pay of ten percent (10%) of their
25 basic monthly salaries for every five (5) years of continuous active service,
26 which shall be reckoned from the date of actual service in the PCG:
27 *Provided,* That the totality of such longevity pay shall not exceed fifty
28 percent (50%) of the basic pay. They shall also continue to enjoy the
29 subsistence allowance, quarters allowance, clothing allowance, cost of living
30 allowance, hazardous duty pay and other collateral allowances but not
31 limited to sea duty pay, flying pay, special counsel allowance, occupational
32 specialty pay, instructors duty pay, combat pay for officers and non-officers
33 of the PCG performing combat duties or activities or engaged in actual

1 performance of duties as defined in regulations to be issued by the
2 Commandant and all other applicable allowances as provided by existing
3 laws: *Provided, further*, That the PCG shall, subject to approval of the
4 President of the Philippines, issue a specific policy pertaining to collateral
5 allowances for specific duties actually performed. All collateral allowances
6 shall be reflected in the pay slip of qualified personnel.

7 **SEC. 27. *Uniformed Personnel Missing in Action.*** – The survivors
8 of any officer or non-officer who, while in the performance of duty, is
9 officially confirmed missing in action, kidnapped or captured by lawless
10 elements shall be entitled to receive the same pay and allowances to which
11 such officer or non-officer is entitled from the time of the latter's
12 disappearance: *Provided*, That the compulsory retirement of an absentee,
13 in applicable cases, shall be processed to allow the survivors to enjoy the
14 retirement benefits: *Provided, further*, That should the Commandant, upon
15 the recommendation of the proper authority or immediate supervisor,
16 subsequently rule that the officer or non-officer concerned has been absent
17 from duty without authority, such member or the latter's survivors shall
18 reimburse the PCG all such amount and allowances that have been received
19 in accordance with this section and other pertinent sections of this Act.

20 **SEC. 28. *Emergency and Medical Assistance.*** – The PCG shall
21 have an emergency medical assistance fund, sourced from the PCG's Annual
22 Budget Plan as reflected in the General Appropriations Act for
23 hospitalization, operation, medication, and rehabilitation of personnel
24 arising from injuries suffered on occasion of or in the performance of official
25 functions until such time that the PCG Hospital is fully operational.

26 **ACTIVE SERVICE AND SEPARATION**

27 **SEC. 29. *Active Service.*** – For purposes of this Act, active service of
28 the uniformed personnel shall refer to services rendered as an officer and
29 non-officer, cadet, trainee, or draftee in the PCG and services rendered as a
30 non-uniformed personnel in the Philippine Government prior to the date of
31 separation or retirement from the PCG: *Provided*, That, for purposes of
32 retirement, the personnel shall have rendered at least ten (10) years of
33 active service as officer or non-officer in the PCG: *Provided, further*, That

1 no period of such non-uniformed personnel's government service longer
2 than the active coast guard service shall be credited for purposes of
3 retirement. Service rendered as cadet in any service academy in the
4 Philippines or abroad under the sponsorship of the PCG such as the
5 Philippine Merchant Marine Academy, probationary officer, draftee, or
6 trainee shall be included in computing the years in active service for
7 retirement purposes if such personnel joins the service right after
8 graduation.

9 **SEC. 30. Retirement.** – Upon attaining fifty-seven (57) years of age
10 or accumulation of thirty (30) years of continuous satisfactory active service,
11 whichever comes later, a PCG uniformed personnel shall be compulsorily
12 retired: *Provided*, That technical officers may extend their tenure of service
13 up to sixty (60) years or until having accumulated twenty (20) years of
14 satisfactory active service, whichever comes later.

15 Any officer or non-officer may choose to retire on their own option upon
16 accumulating at least twenty (20) years in active service.

17 For purposes of this Act, an officer or non-officer who dies after having
18 accumulated at least twenty (20) years of satisfactory active service shall be
19 considered as retired.

20 The retirement of non-uniformed personnel of the PCG shall be
21 governed by the Government Service Insurance System (GSIS) law, rules
22 and regulations.

23 **SEC. 31. Separation.** – Separation from the Coast Guard service may
24 be done through compulsory retirement, optional retirement upon reaching
25 twenty (20) years in service, disability discharge, expiration of enlistment
26 term, voluntary resignation, attrition, dismissal for cause, or death.

27 The separation of non-uniformed personnel of the PCG shall be
28 governed by the Civil Service law, rules and regulations.

29 **SEC. 32. Attrition.** – There shall be established a system of attrition
30 within the uniformed members of the PCG within one (1) year from the
31 effectivity of this Act to be submitted by the PCG to the President of the
32 Philippines for approval.

1 **SEC. 33. Retirement Benefits.** – An officer or uniformed personnel
2 who is retired under Section 30 of this Act, or the retiree's qualified
3 survivors, are entitled to receive, and may choose from, any of the following
4 benefits:

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

9 b) Retirement Pay – A monthly retirement pay equivalent to fifty
10 percent (50%) of monthly base and longevity pay computed based on
11 one grade higher than the permanent salary grade last held by the
12 personnel in case of twenty (20) years of active service, increasing by
13 two and one-half percent (2½%) for every year of service rendered
14 beyond twenty (20) years up to a maximum of ninety percent (90%)
15 for thirty-six (36) years of active service and over.

16 *Provided,* That non-officers who attain the rank of Chief Petty Officer,
17 Senior Chief Petty Officer and of Master Chief Petty Officer shall, upon
18 retirement, be entitled to the retirement pay and benefits of an
19 Ensign: *Provided, further,* That a Master Chief Petty Officer shall receive a
20 gratuity equivalent to that of an Ensign plus one-half (1/2) of the difference
21 between the gratuity of an Ensign and a Chief Petty Officer; a Senior Chief
22 Petty Officer shall receive a gratuity equivalent to that of an Ensign plus
23 one-half (1/2) of the difference between the gratuity of a Master Chief Petty
24 Officer and a Chief Petty Officer; while a First Master Chief Petty Officer
25 shall be retired with the rank of Ensign but with the retirement pay and
26 benefits of a Lieutenant Junior Grade (O-2), as provided for in existing laws:
27 *Provided, furthermore,* That officers and non-officers who availed of optional
28 retirement are entitled to receive monthly retirement pay upon retirement:
29 *Provided, finally,* That upon retirement, an officer or non-officer is entitled
30 to receive a lump sum equal to thirty-six (36) months of the monthly
31 retirement pay.

32 The retirement pay of officers and non-officers who are killed in action
33 or wounded in action resulting in total permanent disability shall be

1 computed at the rate of ninety percent (90%) of the monthly base and
2 longevity pay based on one grade higher than the permanent salary grade
3 last held by the personnel regardless of years in active service.

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

7 The retirement benefits of non-uniformed personnel shall be governed
8 by applicable Civil Service laws and regulations and the GSIS Law.

9 **SEC. 34. Separation Pay.** – Officers and non-officers separated from
10 the PCG without having accumulated at least twenty (20) years of
11 satisfactory active service, or their qualified survivors, shall receive a
12 separation pay equivalent to one-month base plus longevity pay based on
13 the permanent salary grade the officer and non-officer holds at the time of
14 separation for every year of active service: *Provided*, That in the case of an
15 officer in the grade of Captain or higher who incurs physical disability in
16 the line of duty, the basis of the separation pay shall be one grade higher
17 than the salary grade held by such officer at the time of separation:
18 *Provided, further*, That cadets, candidates, trainees, or draftees who
19 voluntarily resign from service shall not be entitled to any separation pay.

20 The separation benefits of non-uniformed personnel shall be governed
21 by applicable Civil Service laws and regulations and the GSIS Law.

22 **SEC. 35. Benefits for Death and Total Permanent Disability in**
23 ***the Line of Duty or During Training.*** – Qualified survivors of officers
24 and non-officers, including cadets, candidates, trainees and draftees who
25 died in the line of duty without having accumulated at least twenty (20)
26 years of satisfactory active service are entitled to a monthly life annuity,
27 equivalent to fifty percent (50%) of the base and longevity pay computed
28 based on one grade higher than the permanent salary grade last held by the
29 deceased officer and non-officer at the time of death: *Provided*, That
30 survivors of cadets, candidates, trainees, and draftees who died during
31 training through their own fault or negligence shall not be entitled to this
32 benefit.

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

14 The death and disability benefits of non-uniformed personnel shall be
15 governed by applicable Civil Service laws and regulations and the GSIS
16 Law.

17 **SEC. 36. Survivors.** – The family of deceased officers or non-officers
18 who are alive may claim benefits after such uniformed personnel dies in line
19 of duty or when the pensioner dies. The following criteria shall apply:

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

25 b) Surviving children of officers or non-officers born of marriage
26 contracted prior to retirement or separation from the service, surviving
27 children adopted legally prior to retirement or separation, illegitimate
28 children born while the deceased parent was still on active service:
29 *Provided*, That entitlement to benefits shall terminate when such children
30 attain twenty-one (21) years of age or upon marriage: *Provided, further*,
31 That those who have reached the age of twenty-one (21) years but are
32 incapacitated and incapable of self-support due to a mental or physical
33 defect acquired prior to age of majority shall remain entitled to the benefits;

1 and

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

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

7 **SEC. 37. Survivorship Benefits.** – The qualified survivors are
8 entitled to a monthly annuity equivalent to seventy-five percent (75%) of
9 the officer or non-officer's retirement or separation benefits, to be divided
10 among them in equal shares and with the right of accretion.

11 Survivorship benefits for non-uniformed personnel shall be governed
12 by the GSIS Law.

13 **SEC. 38. Disability Pension.** – In addition to the other benefits under
14 this Act, an officer or non-officer who is retired or separated by reason of
15 disability, which is the proximate result of wounds or injuries sustained or
16 sickness or disease acquired in the line of duty shall receive a monthly
17 disability pension as follows:

18 a) If and while the disability is rated twenty-five percent (25%) – Five
19 thousand pesos (P5,000.00);

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

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

24 d) If and while the disability is rated one hundred percent (100%) –
25 Twenty thousand pesos (P20,000.00).

26 The officer or non-officer receiving the benefits under this Section may
27 be required to undergo periodic physical and medical examination to
28 determine the extent of disability for purposes of adjusting the disability
29 pension.

30 **SEC. 39. Application of Related Laws on Retirement and**
31 **Separation of Uniformed Personnel.** – The retirement system under
32 Presidential Decree (PD) No. 1638, as amended, and the provisions of RA
33 8220, RA 9365, and other similar applicable laws, insofar as not

inconsistent with applicable provisions of this Act, shall be given supplementary effect.

SEC. 40. Incentives and Awards. – There shall be established an incentives and awards system which shall be the same and equal as that used and observed in the AFP and the PNP, including the *Medalya ng Kagitingan* (Medal of Valor) to be administered by a board under such rules, regulations and standards as may be promulgated by the PCG: *Provided*, That equivalent awards shall be given by the PCG for every award duly given by respectable civic organizations in a nationwide selection for outstanding achievement or performance of any member: *Provided, further*, That in the case of non-uniformed personnel, the system of incentives and awards shall be approved and in accordance with CSC laws, rules and regulations.

DISCIPLINARY SYSTEM

SEC. 41. *Disciplinary System.* – The PCG shall adopt the PCG Code of Conduct which shall be applicable to all its uniformed personnel while non-uniformed personnel shall be covered under the disciplinary rules of the Civil Service. The Commandant shall be assisted by the Coast Guard Internal Affairs in enforcing discipline and order within its ranks though for disciplinary issues depending on gravity, unit commanders shall exercise disciplinary powers over personnel under their command. The PCG shall, within six (6) months from the effectivity of this Act, issue policies, rules and procedures applying the PCG Code of Conduct based on the provisions of Commonwealth Act No. 408, as amended by RA 516, RA 242, PD 1968, and PD 1166: *Provided*, That for non-uniformed personnel, the PCG shall issue rules and procedures implementing Book VII of Executive Order No. 292 and applicable CSC laws, administrative rules, and issuances: *Provided, further*, That in times of war, during which the PCG or any of its offices is attached to the DND, the military justice system of the AFP shall apply.

SEC. 42. *Disciplinary Authority.* – The Commandant shall exercise disciplinary authority at any time over all personnel of the PCG. The authority to discipline shall also be exercised by unit commanders and

1 Commanding Officers including Station Commanders, Sub-Station
2 Commanders, and head of Morning Report Carrying Units.

3 **SEC. 43. *Jurisdiction.*** – A complaint or a charge filed against a PCG
4 member shall be heard and decided exclusively by the disciplining authority
5 who has acquired original jurisdiction over the case, notwithstanding the
6 existence of concurrent jurisdiction as regards the offense.

7 **SEC. 44. *Dismissal of PCG Personnel.*** – The Commandant, after
8 due notice and summary hearing, may immediately remove or dismiss any
9 respondent PCG personnel, and major unit commanders may recommend
10 such in any of the following cases:

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

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

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

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

19 An officer or non-officer who is continuously absent without approved
20 leave for at least thirty (30) calendar days shall be considered on absence
21 without official leave and shall be presumed voluntarily resigned: *Provided,*
22 That such officer or non-officer shall be informed, by registered mail, at the
23 address appearing on such officer's or non-officer's 201 file not later than
24 five (5) calendar days from the effectivity thereof.

25 The dismissal of PCG non-uniformed personnel shall be governed by
26 Civil Service laws, rules and regulations.

27 **SEC. 45. *Coast Guard Internal Affairs Service (CGIAS).*** – To
28 maintain accountability in government service through discipline and
29 efficiency, there shall be an Internal Affairs Service in the PCG. The CGIAS
30 shall foster and promote accountability in government service within the
31 PCG and follow the basic principles of integrity, objectivity, independence,
32 confidentiality, professionalism, competence, courage, trust, honesty,
33 fairness, forthrightness, public accountability', and respect for others and

1 themselves. It shall have the power to investigate and inquire into any and
2 all activities of the PCG units and personnel, review processes, procedures
3 and operations to determine if such were conducted effectively and
4 efficiently.

5 The personnel of the CGIAS, whether officer or non-officer who are
6 performing actual investigative duties shall be granted occupational
7 specialty pay which shall not exceed fifty percent (50%) of their basic pay
8 and shall be reflected in their pay slip for the work performed: *Provided,*
9 That such personnel shall not be entitled to the occupational specialty pay
10 under Section 26 hereof.

11 MISCELLANEOUS PROVISIONS

12 **SEC. 46. *Organization of a PCGA.*** – The PCG shall continue to
13 maintain, supervise, develop, and train the PCGA as a non-uniformed
14 personnel volunteer organization under the direct control and supervision
15 of the PCG Commandant. The PCGA shall assist the PCG in the promotion
16 of safety of life and property at sea, the preservation of the marine
17 environment and its resources, the conduct of maritime search and rescue,
18 the maintenance of aids to navigation, and such other activities that
19 enhance maritime community relations which include civic action,
20 participation under the National Service Training Program, youth
21 development, recreational safety, and other related activities.

22 **SEC. 47. *Lateral Entry.*** – Active members of other uniformed
23 services under the AFP, PNP, Bureau of Fire Protection, Bureau of Jail
24 Management and Penology, and Bureau of Corrections may join the PCG
25 through lateral entry. The rank for officers eligible for such entry must not
26 be higher than Lieutenant Commander and Petty Officer Second Class for
27 non-officers. Notwithstanding the corps they wish to join, all entrants shall
28 only be accepted if, on or before time of entry, they are: a) not under
29 investigation, b) not on AWOL status, c) not serving sentence, whether
30 administrative or criminal, d) have not been issued reprimand in the last
31 two (2) years, or e) have not received an unfavorable rating in the latest
32 performance rating.

1 However, if an entrant possesses specific skills that may not be readily
2 developed in new recruits, lateral entry may be allowed for ranks higher
3 than those mentioned above: *Provided*, That the new entrant can serve at
4 least ten (10) years in PCG active service prior to reaching the mandatory
5 retirement age.

6 **SEC. 48. *Exemption from Attachment, Taxes, Charges, and Fees.***

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

10 In the establishment and operation of radar and radio stations and
11 other communication facilities, the PCG shall not be subject to payment of
12 charges and fees as imposed by the National Telecommunications
13 Commission (NTC): *Provided*, That the PCG shall only use frequencies as
14 may be allowed or assigned by the NTC consistent with international
15 regulations and guidelines.

16 Except as provided in the preceding paragraph, the PCG shall, in the
17 performance of its functions, enjoy such rights and privileges enjoyed by
18 other governmental and law enforcement agencies, instrumentalities, and
19 government-owned and controlled corporations such as exemption from
20 registration, application for license, and payment of fees as imposed by
21 other governmental agencies or regulatory bodies. Should the PCG be
22 required to register or to file application, the fees to be charged shall only
23 be in such minimal amount corresponding to the actual administrative cost
24 necessary for the issuance of the permit, license, or certificate.

25 **SEC. 49. *PCG Modernization Trust Fund.*** – There is hereby created
26 a PCG Modernization Trust Fund to be used exclusively for the PCG
27 Modernization Program which shall be sourced from the following:

28 a) Fees, dues, charges and fines collected relevant to the exercise of
29 its various functions;

30 b) Proceeds from the disposal of excess and uneconomically
31 repairable equipment and other movable assets of the PCG; and

32 c) All interest income that accrues to the Trust Fund.

1 The PCG Modernization Fund shall be administered by the
2 Commandant of the PCG in accordance with the existing government
3 budgeting, accounting and auditing rules and regulations.

4 **SEC. 50. *Loans, Grants, Bequests and Donations.*** – The PCG may
5 receive grants, bequests, and donations whether from local or foreign
6 sources for the PCG Modernization Program.

7 The Secretary of the DOTr may enter into a loan agreement with
8 foreign financial institutions, subject to the review of the Monetary Board
9 of the *Bangko Sentral ng Pilipinas* and the Department of Finance.

10 **SEC. 51. *PCG Properties and Lighthouse Reservations.*** – The
11 PCG shall continue to exercise exclusive ownership, possession,
12 management, control and supervision over all properties transferred to it
13 by virtue of Executive Order No. 475, dated 30 March 1998, and Executive
14 Order No. 477, dated 15 April 1998, such as, *inter alia*, vessels, watercrafts,
15 firearms, armaments, munitions, communications and electronic
16 equipment, vehicles, buildings, real state, lighthouse stations, and
17 reservations.

18 **SEC. 52. *Establishment and Expansion of Coast Guard Bases,***
19 ***Equipment and Facilities.*** – In coordination with other appropriate
20 government agencies, the PCG shall develop and enhance its capabilities in
21 the performance of its mandated functions and establish its strategic
22 presence. To this end, the PCG shall, through the guidance of Congress,
23 draft its development plan that shall reflect its asset, equipment, and
24 facility requirement that includes floating assets, laboratories, land-based
25 support facilities, land mobility, arms and ammunition, rescue and hospital
26 ship, maritime monitoring surveillance and communications system, port
27 facilities, air assets, and air stations.

28 **SEC. 53. *Implementing Rules and Regulations.*** – For submission
29 to the Secretary of the DOTr for approval, the PCG, not later than one
30 hundred twenty (120) days from the effectivity of this Act, shall issue rules
31 and regulations, determine, fix or prescribe charges, rates, and penalties,
32 as may be necessary, to implement its provisions, as well as the provisions

1 of laws, issuances, decrees and orders related to the implementation of PCG
2 functions.

3 **SEC. 54. Appropriations.** – The amount necessary for the initial
4 implementation of this Act shall be charged against the current year’s
5 appropriations of the PCG. Thereafter, such amount shall be included in the
6 annual General Appropriations Act.

7 In addition, an amount of One billion pesos (P1,000,000,000.00) is
8 hereby appropriated annually for five (5) years for the PCG Modernization
9 Program upon enactment of this Act out of any funds actually available in
10 the National Treasury of the Philippines not otherwise appropriated, as
11 certified by the National Treasurer.

12 **SEC. 55. Transitory Provisions.** – The provisions of this Act, as far
13 as the computation of rate is concerned, shall have retroactive effect on the
14 retirement benefits of non-officers whose retirement were affected by the
15 implementation of RA 9993, and the discrepancy as a result of applying this
16 Act and RA 9993 shall be returned to the retiree. The same shall also be
17 retroactively applicable to indexation of pension to base pay scale
18 adjustments affected by RA 9993: *Provided*, That the retirement benefits of
19 the ranks of Admiral and Vice Admiral adversely affected by Joint
20 Resolution No. 4 s. 2009, entitled: “Joint Resolution Authorizing the
21 President of the Philippines to Modify the Compensation and Position
22 Classification System of Civilian Personnel and the Base Pay Schedule of
23 Military and Uniformed Personnel in the Government, and for Other
24 Purposes”, and Joint Resolution No. 1 s. 2018, entitled: “Joint Resolution
25 Authorizing the Increase in Base Pay of Military and Uniformed Personnel
26 in the Government, and for Other Purposes”, shall be adjusted in the same
27 level as its contemporary ranks of General and Lieutenant General in the
28 AFP and the PNP, respectively: *Provided, further*, That those affected by
29 the above-mentioned Joint Resolutions shall be paid the difference in pay
30 and allowances by reason thereof.

31 **SEC. 56. Separability Clause.** – If for any reason, any provision of
32 this Act is declared unconstitutional or invalid, such parts not affected
33 thereby shall remain in full force and effect.

1 **SEC. 57. *Repealing Clause.*** – RA 9993 is hereby repealed and all
2 laws, decrees, executive orders, rules and regulations and other issuances
3 or parts thereof which are inconsistent with this Act are likewise hereby
4 repealed, amended, or modified accordingly.

5 **SEC. 58. *Effectivity.*** – This Act shall take effect fifteen (15) days after
6 its publication in the *Official Gazette* or in a newspaper of general
7 circulation.

Approved,