



Republic of the Philippines



HOUSE OF REPRESENTATIVES
Quezon City

TWENTIETH CONGRESS
First Regular Session

HOUSE BILL NO. 777

Introduced by **Representative Ma. Victoria Co-Pilar**

EXPLANATORY NOTE

Social Security is recognized as one of the basic human rights. The Philippines as a party to the International Covenant on Economic, Social and Cultural Rights is committed to ensure its application within our jurisdiction.

Article XV, Section 4 of the Philippine Constitution affirm this commitment. However, despite having a national policy that upholds universal security coverage, a sizable proportion of workers and their families remain uncovered, with only 38.4 percent of labor force contributing either through the SSS or GSIS (Philippine Statistics Authority, 2017). Similarly, the labor force contributing to Pag-ibig Fund accounted for 45.9 percent only in 2018. On the other hand, the population covered by the National Health Insurance Program (NHIP) is maintained high and generally increasing either through direct or indirect contributions due to the enactment of RA 11223 Universal Health Care Act.

In a study conducted by the International Labor Organization, among the reasons why there is low coverage of social security pension is the complex and burdensome procedures. Particularly in rural areas, people face difficulties in accessing social protection schemes due to a low density of administrative structures and services.

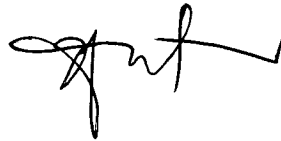
To ease the burden of daunting processes of registration, collection of contributions, processing of loan applications, release of loans and pensions, among others, this bill proposes to create a One-Stop Shop for all state-controlled provident funds and other government mandated benefit institutions in every Legislative District of the country.

Through these One-Stop Shops called the Pangarap Centers, a member does not need to go to different government mandated provident funds agencies, with different locations just to remit their contributions or remittances. This will not only cut the time and effort in processing their transactions, moreover this will encourage members of the workforce and those who are from the informal sector to register and contribute to their

social security funds. Through this sudden ease in their transactions, we can expect that the coverage of our social security instruments to increase and become streamlined.

This measure is aligned with the President's vision of creating a single operating system for all government transactions to ensure ease of doing business across the Philippines.

In view of the foregoing passage of this bill is earnestly sought.

A handwritten signature in black ink, appearing to be a stylized representation of the name 'Gutierrez'.

3. Ensure appropriate infrastructure and processes;
4. Promote client engagement and empowerment.
- b) Ensure financial risk protection and alleviate financial burden of financially incapacitated beneficiaries who avail of the different benefit programs of government mandated benefit institutions;
- c) Maximize investment opportunities for workers through the different benefit programs such as, but not limited to, PAG-IBIG MP1 and PAG-IBIG MP2; and
- d) Eliminate the transferring and the inconvenience of long and arduous processes for first time workers to obtain necessary identity numbers.

The Department of Labor and Employment shall provide the policy direction and pertinent guidelines together with the Home Development Mutual Fund (HDMF), Government Service Insurance System (GSIS), the Social Security System (SSS), Philippine Health Insurance Corporation (PhilHealth), and the Department of Migrant Workers (DMW) to ensure and promote responsive and effective benefit engagement in Pangarap Centers.

SEC. 4. Pangarap Center Office -There shall be established a Pangarap Center Office under the Department of Labor and Employment. The Pangarap Center Office shall oversee the operations of Pangarap Centers nationwide.

SEC. 5. Pangarap Center - There shall be established a Pangarap Center in all Local Government units which shall serve as a One-Stop shop for all government mandated benefit institutions for workers, including but not limited to, collection of contributions, processing of loan applications, release of loans and pensions, processing of documentary requests from members;

- a. Provide beneficiary navigation and referral to proper agencies and benefit packages;
- b. Provide information with regard to membership, coverage and other packages to maximize all benefit programs according to each one's investments and contributions;
- c. Provide capacity building and performance evaluation to ensure good client interaction;
- d. Document, process and utilize data from beneficiaries through a standardized form if institutional changes in government benefit institutions; and
- e. Provide critical information on future benefit programs that will emanate from each government mandated benefit institution.

There shall be a special lane in each Pangarap Center for exclusive use of Senior citizens and persons with Disabilities.

The Pangarap Center shall be non-partisan, convenient, free of charge, accessible and shall have a standard system of availment of benefits.

SEC. 6. Administration of Pangarap Center -The Department of Labor and Employment shall designate its Regional Directors to oversee the proper management and efficient operation of the Pangarap centers in their respective localities. The Pangarap center Director shall:

- a) Ensure the provision of appropriate space, furniture, equipment and fixtures based on the standard Pangarap centers plan of the Department of Labor and Employment;

- 1 b) Promote harmony, coordination and cooperation among the participating
2 agencies in the Pangarap centers and strengthen the delivery of services by
3 upholding the highest performance of duties and responsibilities; and
4 c) c. Perform such other functions as may be necessary for the accomplishment of the
5 objectives of the Pangarap center program.
6

7 The Pangarap Center Director shall assign the Head Officer of the respective
8 DOLE local office as the Pangarap center Operations Manager, who shall take charge of
9 the day-to-day management and operations of the Pangarap Centers. The Pangarap
10 Center Director, and the Pangarap Center Operations Manager, shall receive no extra
11 compensation.
12

13 **SEC. 7. Personnel Complement** - The Pangarap Center shall be adequately staffed
14 by the employees of the Department of Labor and Employment and support staff . The
15 Pangarap Center Director and the Pangarap Center Operations Manager shall appoint
16 and assign such other personnel as may be necessary for the effective operation of the
17 pangarap center.
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19 Each Pangarap Center shall consist of duly designated representatives from the
20 HDMF, GSIS, SSS, PhilHealth and DMW. The HDMF, GSIS and SSS representatives shall
21 process and approve the application of new members and requests for loans, requests for
22 increase of contributions. The DMw representative shall process and approve
23 applications for benefits of overseas Filipino workers and their respective beneficiaries.
24

25 The HDMF, GSIS, SSS, PhilHealth and DMW are hereby authorized to create the
26 required plantilla and staffing pattern necessary for the implementation of this Act in
27 coordination with the Department of Budget and Management (DBM). The civil service
28 commission (CSC), and the Governance commission for Government owned or
29 controlled corporations (GCG), as the case may be.
30

31 The DMW and PhilHealth shall include in their budgetary submission to the DBM
32 the required budget for the personnel services requirements of each Pangarap Center.
33 Such budgetary requirement shall be included in the budgets of the respective agencies
34 in the General Appropriations Act.
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36 **SEC 8. Monitoring and Evaluation** - The DOLE shall conduct monitoring and
37 evaluation to assess the responsiveness of the Pangarap Centers, including a client
38 satisfaction survey, utilizing indicators such as reduced waiting time, percentage of
39 beneficiaries and individuals served, and percentage of complaints endorsed for action,
40 among others.
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42 **SEC 9. Annual Report** -The HDMF, GSIS, SSS, PhilHealth and the DMW shall
43 jointly submit to the Office of the President of the Philippines, Senate Committee on
44 Labor, Employment and Human Resources Development, House Committee on Labor
45 and Employment on or before the end of December of every year, or upon the request of
46 any of the aforesaid offices, a report giving a detailed account of the status of the
47 implementation of this Act.
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49 **SEC 10. Appropriations** -The DOLE shall immediately include in the program of
50 the Department the operationalization of this Act, the initial funding of which shall be
51 charged against its current year's appropriations. Thereafter, the amount necessary for
52 the establishment and operation of the Pangarap Centers shall be included in the General
53 Appropriations Act.
54

SEC 11. Implementing Rules and Regulations - Within one year from the Approval of this Act, the Secretary of DOLE, in coordination with the Departments stipulated in the preceding section of this Act, shall formulate rules and guidelines as may be necessary for the proper implementation and enforcement of this Act.

SEC 12. Separability Clause – If any provision or part hereof, is held invalid or unconstitutional, the remainder of the law or the provision not otherwise affected shall remain valid and subsisting.

SEC 13. Repealing Clause – Any law, presidential decree or issuance, executive order, letter of instruction, administrative order, rule or regulation contrary to or inconsistent with the provision of this Act is hereby repealed, modified, or amended accordingly.

SEC 14. Effectivity Clause - This Act shall take effect fifteen (15) days after its publication in the Official Gazette or in a newspaper of general circulation.

Approved,