



Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City, Metro Manila

TWENTIETH CONGRESS
First Regular Session



HOUSE BILL NO. 2110

Introduced by Representative Ivan Howard Guintu

EXPLANATORY NOTE

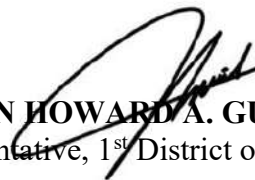
Based on the Civil Service Commission's Inventory of Government Human Resources as of June 2024, out of 2,977,227 government employees, 939,771 or 31.57% are contractual employees. The number of government contractual employees increased by 12.84% from 2023. Out of the 939,771 government contractual employees, 676,893 or 72.03% are under a job order and 262,878 or 27.97% are under a contract of service.

On a local government level, there are 679,427 contractual employees, which is 72.30% of the total government contractual employees. Undoubtedly, it is the local government unit that employs most of the government's contractual employees.

Unfortunately, these contractual employees are not covered by social security and welfare benefits because of the lack of employer-employee relationship with the government. Thus, they do not have access to benefits normally enjoyed by a permanent employee of the government. These benefits include the housing loan available to members of Pag-IBIG.

In order to make housing more accessible to these contractual employees through affordable housing loans, this legislative measure seeks to include contractual employees of LGUs who have rendered service for an aggregate and non-continuous period of at least 3 years under the coverage of the Pag-IBIG Fund through a shared contribution scheme.

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


IVAN HOWARD A. GUINTU
Representative, 1st District of Capiz



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TWENTIETH CONGRESS
First Regular Session
HOUSE BILL NO. **2110**

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AN ACT
MANDATING LOCAL GOVERNMENT UNITS TO PROVIDE PAG-IBIG
BENEFITS TO THEIR CONTRACTUAL EMPLOYEES UNDER A JOB ORDER,
CONTRACT OF SERVICE, OR OTHER SIMILAR CONTRACTUAL
ARRANGEMENT THROUGH A SHARED CONTRIBUTION SCHEME

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

SECTION 1. *Home Development Mutual Fund (Pag-IBIG) Coverage and Payment of Contributions.* Contractual employees of local government units (LGUs) employed under a job order, contract of service or other similar contractual arrangement who have rendered service for an aggregate and non-continuous period of at least 3 years shall be covered by the Pag-IBIG Fund. The payment of the Pag-IBIG monthly contributions shall be jointly shared by the contractual employees and the local government unit in accordance with existing rules and regulations.

SEC 2. *Repealing Clause.* All laws, orders, issuances, rules and regulations or parts thereof inconsistent with this Act are hereby repealed or modified accordingly.

SEC 3. *Effectivity.* This Act shall take effect fifteen (15) days after its complete publication in at least two (2) newspapers of general circulation.

Approved,