



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

Twentieth Congress
First Regular Session

HOUSE BILL NO. 4316



Introduced by Representative Emmanuel L. Iway

AN ACT
PROVIDING FOR VOLUNTARY MEMBERSHIP IN THE GOVERNMENT
SERVICE INSURANCE SYSTEM (GSIS), AMENDING FOR THE PURPOSE
REPUBLIC ACT 8291, OTHERWISE KNOWN AS "THE GOVERNMENT
SERVICE INSURANCE SYSTEM ACT OF 1997"

EXPLANATORY NOTE

The Government Service Insurance System (GSIS), as the principal social insurance institution that extends financial benefits and social protection to government workers and their beneficiaries, has consistently proven its pivotal role in safeguarding the welfare of our civil and public servants.

Under this existing framework, government employees are entitled to retirement packages given that they render the required years of service of at least fifteen (15) years. However, a significant number of government employees leave their service before meeting the minimum years of service, making them ineligible for the aforementioned package.

Given this, the proposed measure seeks to permit the voluntary membership of members who have rendered at least six (6) years of service in the government, and allow them to continue paying for the remaining contributions needed to complete the required fifteen (15) years.

This proposed measure is consistent with the 1987 Constitution, Article II, Section 9, which mandates that *"the State shall promote a just and dynamic social order that will ensure the prosperity and independence of the nation and free the people from poverty through policies that provide adequate social services, promote full employment, a rising standard of living, and an improved quality of life for all."*

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


EMMANUELL. IWAY



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

Section 1. A sub-section is herein inserted after Section 3 of Republic Act No. 8291, otherwise known as "*The Government Service Insurance System Act of 1997*" to read as follows:

"SECTION 3A - VOLUNTARY MEMBERSHIP - ANY MEMBER WHO HAS RENDERED AT LEAST SIX (6) YEARS OF SERVICE IN THE GOVERNMENT MAY OPT TO CONTINUE PAYING FOR THE REMAINING CONTRIBUTIONS NEEDED FOR ENTITLEMENT TO FULL BENEFITS UNDER THIS ACT; PROVIDED, THAT, THE ENTIRE AMOUNT OF THE REMAINING MONTHLY CONTRIBUTIONS BY BOTH THE GOVERNMENT AND THE EMPLOYEE SHALL BE ENTIRELY BORNE BY THE MEMBER."

Sec. 2. Section 4 of Republic Act No. 8291 is hereby amended to read as follows:

"SECTION 4. Effect of Separation from the Service. - A member separated from the service shall continue to be entitled to whatever benefits he has qualified to in the event of any contingency compensable under this Act - **WITHOUT PREJUDICE TO THE RIGHT OF THE SAID MEMBER TO OPT FOR VOLUNTARY MEMBERSHIP TO THE GSIS AS PROVIDED IN THE PRECEDING SECTION.**"

Sec. 3. Section 13 (b) of Republic Act No. 8291 is hereby amended to read as follows:

"SECTION 13. *Retirement Benefits.* -
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(b) Unless the service is extended by appropriate authorities, retirement shall be compulsory for an employee at sixty-five (65) years of age with at least fifteen (15) years of service: Provided, That an employee who has less than fifteen (15) years of service, the employee may be allowed to continue in the service in accordance with existing civil service rules and regulations; **PROVIDED, FURTHER, THAT AN EMPLOYEE WHO HAS RENDERED AT LEAST SIX (6) YEARS OF GOVERNMENT SERVICE MAY AVAIL OF THE VOLUNTARY MEMBERSHIP PROVIDED IN SECTION 3A HEREOF FOR THE PURPOSE OF COMPLETING THE CONTRIBUTIONS EQUIVALENT TO FIFTEEN (15) YEARS OF SERVICE FOR ENTITLEMENT TO FULL BENEFITS UNDER THIS ACT.**"

Sec. 4. Section 13-A of Republic Act No. 8291 is hereby amended to read as follows:

"SEC 13-A. *Conditions for Entitlement-* A member who retires from the service shall be entitled to the retirement benefits enumerated in paragraph (a) of Section 13 hereof; Provided, That:

- (1) he has rendered at least fifteen (15) years of service, **OR HAS COMPLETED THE CONTRIBUTIONS EQUIVALENT TO FIFTEEN (15) YEARS AS A VOLUNTARY MEMBER OF THE GSIS PURSUANT TO SECTION 3A OF THIS ACT.**
- (2) he is at least sixty (60) years of age at the time of retirement; and,
- (3) he is not receiving a monthly pension benefit from permanent total disability.

Sec. 5. Implementing Rules and Regulations. — Within ninety (90) days from the effectivity of this Act, the Government Service Insurance System (GSIS) shall promulgate the necessary rules and regulations to effectively Implement the provisions of this Act.

Sec. 6. *Repealing Clause.* — All laws, decrees, orders, rules and regulations or parts thereof inconsistent with the provisions of this Act are hereby repealed, amended, or modified accordingly.

Sec. 7. *Effectivity Clause.* — This Act shall take effect fifteen (15) days after its complete publication in the Official Gazette or in at least two (2) newspapers of general circulation.

Approved,