

Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City

TWENTIETH CONGRESS
First Regular Session



HOUSE BILL NO. 7314

Introduced by: REP. RAMIL L. HERNANDEZ

AN ACT
PROVIDING BARANGAY OFFICIALS AND WORKERS A RETIREMENT BENEFIT,
RECOGNIZING THEIR INVALUABLE SERVICE, AND FOR OTHER PURPOSES

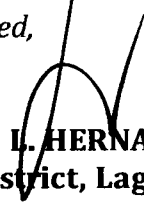
EXPLANATORY NOTE

The barangay stands as the smallest, yet most crucial, political unit in the Philippines. It is the immediate point of contact between the government and the citizenry, serving as the primary implementor of national policies and provider of basic services. At the forefront of this vital work are our barangay officials and workers – the Punong Barangay, Sangguniang Barangay Members, Barangay Secretary, Treasurer, Barangay Tanods, Members of the Lupon ng Tagapamayapa, Barangay Health Workers (BHWs), and Barangay Day Care Workers (BDCWs). They maintain peace and order, facilitate dispute resolution, deliver health and social services, and lead local development initiatives, often with minimal or no regular salaries, relying instead on meager honoraria or allowances.

Despite their invaluable contributions, many receive only meager honoraria and face **financial uncertainty upon retirement**. This proposed "Barangay Officials and Workers Retirement Benefit Act" aims to bridge this long-overdue gap. It seeks to provide a **meaningful retirement benefit** as a tangible reward for their selfless service and unwavering commitment.

The swift passage of this Act is imperative to properly honor the unwavering dedication of our barangay officials and workers. It is a necessary measure to uphold their dignity, secure their future, and demonstrate the nation's profound appreciation for their vital role in building stronger, more vibrant communities.

Approved,


RAMIL L. HERNANDEZ
2nd District, Laguna

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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 "Barangay Officials and Workers Retirement Benefit Act".

Section 2. *Declaration of Policy.* – It is hereby declared the policy of the State to recognize the indispensable role of barangay officials and workers as the frontline public servants in community governance. Their tireless efforts and selfless dedication are crucial to maintaining peace and order, delivering basic services, and fostering local development. As a token of the State's profound gratitude and to provide them with a measure of financial security in their twilight years, this Act establishes a retirement benefit system for their invaluable service to the nation.

Section 3. *Definition of Terms.* – For the purpose of this Act, the following terms shall mean:

- a. **Barangay Officials** refer to the Punong Barangay, Sangguniang Barangay Members, Barangay Secretary, and Barangay Treasurer.
- b. **Barangay Workers** refer to Barangay Tanods, Members of the Lupon ng Tagapamayapa, Barangay Health Workers (BHWs), and Barangay Day Care Workers (BDCWs).
- c. **Cumulative Years of Service** shall mean the aggregate period of service rendered by a barangay official or worker in any of the capacities mentioned in this Act, whether continuous or intermittent.

Section 4. *Retirement Benefit.* – There is hereby established a one-time retirement benefit for eligible barangay officials and workers, structured as follows:

- a. **Punong Barangay** – One Hundred Thousand Pesos (PhP 100,000.00), plus an additional Five Thousand Pesos (PhP 5,000.00) for every cumulative year of service rendered beyond nine (9) years.
- b. **Sangguniang Barangay Member** – Seventy-Five Thousand Pesos (PhP 75,000.00), plus an additional Four Thousand Pesos (PhP 4,000.00) for every cumulative year of service rendered beyond nine (9) years.
- c. **Barangay Treasurer and Secretary** – Fifty Thousand Pesos (PhP 50,000.00), plus an additional Three Thousand Pesos (PhP 3,000.00) for every cumulative year of service rendered beyond nine (9) years.
- d. **Barangay Tanod, Member of the Lupon ng Tagapamayapa, Barangay Health Worker, and Barangay Day Care Worker** – Forty Thousand Pesos (PhP 40,000.00), plus an additional Two Thousand Pesos (PhP 2,000.00) for every cumulative year of service rendered beyond nine (9) years.

The amounts specified herein shall be subject to review and adjustment by Congress every five (5) years to account for inflation and economic changes.

Section 5. *Eligibility for Retirement Benefit.* – Any Barangay Official or Worker, as defined in Section 3 hereof, shall be entitled to the retirement benefit provided in Section 4, subject to the following conditions:

- a. **Age Requirement:** Must be at least Sixty (60) years of age at the time of application for the benefit.
- b. **Service Requirement:** Must have rendered at least nine (9) cumulative years of service in any of the capacities mentioned in Section 3 of this Act.

Provided further, that any such official or worker who dies or becomes permanently incapacitated while in the actual performance of his/her duty shall be entitled to the full benefit specified in Section 4 of this Act, irrespective of his/her age and cumulative years in service. The benefits due shall be released to the deceased official or worker's legal heirs in accordance with the rules and regulations to be promulgated for the implementation of this Act.

Section 6. *Source of Funds.* – The amount necessary to implement this Act shall be charged against the National Tax Allotment (NTA), of the local government unit to which the barangay belongs. The Department of Budget and Management (DBM) shall include the necessary appropriations in the annual General Appropriations Act.

Section 7. *Non-Retroactivity.* – This Act shall apply prospectively. No benefit under this Act shall be granted for retirements, deaths, or permanent incapacitations that occurred prior to the effectivity of this Act. However, cumulative years of service, as defined in Section 3, shall include service rendered prior to the effectivity of this Act for the sole purpose of meeting the eligibility requirements herein.

Section 8. *Implementing Rules and Regulations.* – The Department of Budget and Management (DBM), in coordination with the Department of the Interior and Local

Government (DILG) and other relevant agencies, shall issue the necessary rules and regulations for the effective implementation of this Act within ninety (90) days from its effectivity.

Section 9. *Separability Clause.* - If any part or provision of this Act is held invalid or unconstitutional, the remaining parts or provisions not affected shall remain in full force and effect.

Section 10. *Repealing Clause.* - All laws, decrees, orders, rules, and regulations, and other issuances or parts thereof, which are contrary to or inconsistent with this Act are hereby repealed, amended, or modified accordingly.

Section 11. *Effectivity.* - This Act shall take effect fifteen (15) days after its publication in the Official Gazette or in a newspaper of general circulation.

Approved,