FIFTEENTH CONGRESS OF THE **REPUBLIC OF THE PHILIPPINES) First Regular Session**



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SENATE

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COMMITTEE REPORT NO. 23

Submitted jointly by the Committee on Civil Service' and Government Reorganization; and Government Corporations and Public Enterprises on MAR 1 6 2011 .

RE: Senate Bill No. 2748

Recommending its approval in substitution of Senate Bill No. 251

Sponsors: Senators Trillanes IV and Recto

MR. PRESIDENT:

The Committee on Civil Service and Government Reorganization and Government Corporations and Public Enterprises, to which was referred S.B. No. 251 introduced by Senator Antonio "Sonny" F. Trillanes IV, entitled:

AN ACT

REQUIRING ALL GOVERNMENT OFFICES TO ENSURE THE RELEASE OF THE RETIREMENT BENEFITS OF ITS EMPLOYEES WITHIN THIRTY DAYS FROM RETIREMENT

have considered the same and have the honor to report it back to the Senate with the recommendation that the attached Senate Bill No. 2748 prepared by the Committees, entitled:

AN ACT

REQUIRING ALL CONCERNED GOVERNMENT AGENCIES TO ENSURE THE RELEASE OF THE RETIREMENT PAY, PENSIONS, GRATUITIES AND OTHER BENEFITS OF RETIRING GOVERNMENT EMPLOYEES WITHIN A PERIOD OF THIRTY (30) DAYS AFTER HIS OR HER ACTUAL DATE OF RETIREMENT

be approved in substitution of Senate Bill No. 251 with Senators Trillanes IV and Recto as authors thereof.

Respectfully submitted:

Chairpersons

RALPH G. RECTO Committee on Government Corporations and Public Enterprises

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NTONIO "SONNY" F. TRILLANES IV Committee on Civil Service and Government Reorganization

Vice-Chairpersons

TEOFISTO L. GUINGONA III Committee on Government Corporations and Public Enterprises

GREGORIO B. HONASAN II Committee on Civil Service and Government Reorganization

<u>Members</u>

FR Government Corporations

and Public Enterprises

RAMON "BONG" REVILLA, JR. Committee on Government Corporations And Public Enterprises

MANNY VILLAR

Committee on Government Corporations And Public Enterprises

JOKER P. ARROYO

Committee on Government Corporations and Public Enterprises

PIA S. CAYETANO

Civil Service and Government Reorganization; Government Corporations and Public Enterprises

M. LAPID

Civil Service and ^N Government Reorganization

LOREN B. LEGARDA

Committee on Civil Service and Government Reorganization; Government Corporations and Public Enterprises

FERDINAND R. MARCOS, JR. Committee on Civil Service and Government Reorganization

. FRANCIS N. PANGILINAN Committee on Civil Service and Government Reorganization Ex-Officio Members

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ENTE C. SOTTO III Majority Leader

ALAN PEPER "COMPANERO" S.

CAYETANO Minority Leader

JINGGOY EJERCITO ESTRADA President Pro-Tempore

HON. JUAN PONCE ENRILE

President Senate

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(In substitution of Senate Bill No. 251)

Prepared by the Committees on Civil Service and Government Reorganization; and Government Corporations and Public Enterprises, with Senators Trillanes IV and Recto as authors thereof

AN ACT

REQUIRING ALL CONCERNED GOVERNMENT AGENCIES TO ENSURE THE RELEASE OF THE RETIREMENT PAY, PENSIONS, GRATUITIES AND OTHER BENEFITS OF RETIRING GOVERNMENT EMPLOYEES WITHIN A PERIOD OF THIRTY (30) DAYS AFTER HIS OR HER ACTUAL DATE OF RETIREMENT

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

SECTION 1. *Declaration of State Policy* – It is hereby declared that it is the 1 policy of the State to ensure the timely and expeditious release of the retirement pay, 2 pensions, gratuities and other benefits of all retiring employees of the Government. 3 Public officers and employees who have spent the best years of their lives serving the 4 Government and the public should not be made to wait to receive benefits which are due 5 6 to them under the law. Accordingly, it is hereby mandated that highest priority shall be given to the payment and/or settlement of the pensions, gratuities and/or other retirement 7 benefits of retiring government employees. 8

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10 SEC. 2. <u>Period for Release of Retirement Benefits</u>. - The head of the 11 government agency concerned, the President and other responsible officers of the 12 Government Service Insurance System (GSIS), the President and other responsible 13 officers of the Home Development Mutual Fund (Pag-IBIG Fund) and/or the Secretary 14 and other responsible officers of the Department of Budget and Management (DBM) 15 shall ensure the release of the retirement pay, pension, gratuities, and other benefits of a 16 retiring government employee within a period of thirty (30) days from the date of the

actual retirement of said employee; *provided*, that all requirements are submitted to the
 concerned government agency at least thirty (30) days prior to the effective date of
 retirement.

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SEC. 3. Retiring Employees With Pending Cases. - In the case of retiring 5 government employees with pending cases and whose retirement benefits are being 6 7 lawfully withheld due to possible pecuniary liability; the Head of the agency where such case is pending shall ensure that the said case shall be terminated and/or resolved within a 8 period six (6) months from the date of the retirement of the concerned employee; 9 provided, that in case the concerned agency fails to terminate and/or resolve the case 10 within the said period without any justifiable reason(s), the retirement benefits due to the 11 employee shall be immediately released to him without prejudice to the ultimate 12 resolution of the case; except, when the delay is deliberately caused by the retiring 13 employee. 14

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16 SEC. 4. <u>Coverage.</u> – This Act shall cover all branches, agencies and/or 17 instrumentalities of the Government, including Government Owned and/or Controlled 18 Corporations (GOCCs), excluding personnel of the Armed Forces of the Philippines, and 19 shall be applicable both to applications for compulsory retirement and optional or early 20 retirement as authorized by law.

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SEC. 5. <u>Penal Provisions.</u> – The unjustified failure and/or refusal to release the pension, gratuities and other retirement benefits due to a retiring government employee within the periods prescribed above or to comply with any provisions of this Act shall be a ground for the filing administrative disciplinary action against the erring officer(s) and/or employee(s). Such erring officer(s) and/or employee(s) shall, after hearing and due proceedings, be penalized with suspension from the service without pay from six (6) months to one (1) year, at the discretion of the disciplining authority.

1 This penalty shall not apply if the release of the retirement benefits could not be 2 accomplished due to *force majeure* and other insuperable causes. In such cases, the thirty 3 (30) day period shall be counted from the time such cause(s) ceases to exist.

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SEC. 6. Implementing Rules and Regulations. The Civil Service 5 ____ Commission (CSC), after consultation and coordination with the government agencies 6 and/or instrumentalities affected by this Act, including but not limited to the GSIS, the 7 Pag-IBIG Fund, the Constitutional Commissions, the Legislature and the Judiciary as 8 well as the Office of the Government Corporate Counsel (OGCC) and the Department of 9 Interior and Local Government (DILG), shall promulgate and issue the appropriate rules 10 and regulations for the proper implementation of this Act. 11

Such rules and regulations shall include provisions prescribing uniform periods for the advance filing of retirement applications in the different agencies concerned, as well as standard periods for the processing and release of claims for retirement benefits, gratuities and allowances which will pinpoint responsibility in case of delay in the release thereof.

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18 SEC. 7. <u>Separability Clause</u>. - If any provision, part or portion of this Act shall 19 be held as invalid, the provisions, parts or portions of the Act not otherwise affected 20 thereby shall remain valid and effective.

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SEC. 8. <u>Repealing Clause</u>. - All laws, executive issuances, orders and rules and
 regulations contrary to or inconsistent with the provisions of this Act, or any part thereof,
 are hereby repealed, amended and/or modified accordingly.

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SEC. 9. <u>Effectivity</u>. - This Act shall take effect fifteen (15) days following its
publication in the *Official Gazette* or in two (2) newspapers of general circulation in the
country.

Approved,