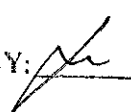




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SENATE  
Senate Bill No. 2784

RECEIVED BY: 

Introduced by **SENATOR LACSON**

## EXPLANATORY NOTE

Year in and year out, retiring employees have to go through numerous delays, unnecessary aggravation, unreasonable excuses, and financial difficulties before they receive the retirement benefits that is rightfully theirs to begin with. This scenario is experienced by all types of employees, regardless if they are in the government or in the private sector. Whether the problem lies in the unexplainable delay in the processing of their retirement papers, or in the people who are responsible for releasing their retirement benefits, it is undeniable that this problem deserves the utmost attention of the government and must therefore be resolved through appropriate legislation.

Retirement should be the rewarding moment of every employee who had rendered numerous years of service and dedication to his work. It should be the time to enjoy the benefits of so many years of hardwork. This prospect, however, of a relaxed and leisurely life is being dimmed by the trouble and intricacies of the process of receiving retirement benefits.

This bill seeks to mandate the immediate release of all retirement benefits for both the government and private sectors, including but not limited to members of the Social Security System (SSS) and the Government Service and Insurance System (GSIS), on the day of an employment's retirement from the service. Employers should see to it that the processing of retirement papers is completed three (3) months prior to the date of retirement. Both the SSS and GSIS are also mandated to provide retirees the necessary prompt assistance for the early completion of their needed requirements as well as in the processing of their documents at least three (3) months prior to the date of retirement. Any person who violates the right of retiring employees will, upon conviction, be penalized with imprisonment of not less than three (3) years and a fine of Two Hundred Thousand Pesos (P 200,000.00).

Retirement benefits are ways of compensating and recognizing the long years of hardwork and dedicated service of employees. It is their right to receive this full and proper recognition.

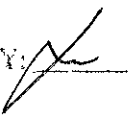
In view of the foregoing, the immediate enactment of this bill is earnestly sought.

  
**PANFILO M. LACSON**



'11 MAR 31 P5:51

SENATE  
Senate Bill No. 2784

RECEIVED BY: 

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Introduced by **SENATOR LACSON**

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**"AN ACT MANDATING THE PAYMENT OF ALL RETIREMENT BENEFITS TO ALL  
GOVERNMENT AND PRIVATE EMPLOYEES ON THE DATE OF THEIR  
RETIREMENT"**

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

**Section 1.** The retirement pay of all employees, whether in the government or private sector, including employment benefits under the law or any collective bargaining agreement, shall be released on the date of their retirement.

The payment of retirement benefits and pensions to all members of the Social Security System (SSS) and the Government Service and Insurance System (GSIS) shall also be made on the date of retirement.

**Section 2.** The heads of all government agencies, bureaus, corporations and private employers shall see to it that the processing of the papers of all their employees under compulsory and optional retirement shall be completed three (3) months before the date of their retirement, and for this purpose, immediately after the filing of application of retirement, shall notify or inform the retirees of the required papers and documents to be submitted within six (6) months before their date of retirement.

**Section 3.** A Court Clearance shall be sufficient for the retirement of government employees. No other clearances shall be required: Provided, That any administrative case against a government employee shall be terminated at least three (3) months before the date of his retirement; and Provided, *further*: That any administrative case filed against a compulsory retiree within three (3) months before his date of retirement shall be considered a harassment suit unless otherwise found meritorious by the head of office or agency concerned.

**Section 4.** The requirements for retirement in the SSS and in the GSIS shall be in simple forms and the retiring member shall be provided with prompt assistance from said offices in the accomplishment of whatever requirements needed as early as six (6) months prior to the retirement date. The SSS and GSIS shall expedite the processing of retirement papers and shall ensure that retirement papers are completed three (3) months prior to the said retirement date.

**Section 5.** The government offices, bureaus and agencies or corporations concerned shall see to it that the funds shall be made available to the GSIS for the payment of

benefits and gratuities of their retiring employees at least three (3) months before the date of their retirement.

**Section 6.** The Department of Labor and Employment (DOLE) and the respective boards of the SSS and GSIS shall promulgate rules and regulations necessary to implement the provision of this Act within a period of thirty (30) days from the approval of this Act.

**Section 7. Penal Clause.** – Whoever fails or refuses to comply with the provisions of this Act shall, upon conviction, be penalized with imprisonment of not less than three (3) years and a fine of Two Hundred Thousand Pesos (P 200,000.00).

**Section 8. Separability Clause.** – If any provision of this Act is declared unconstitutional, the same shall not affect the validity and effectivity of the other provisions thereof.

**Section 9. Repealing Clause.** – All laws, decrees, orders and issuances or portion thereof which are inconsistent with the provisions of this Act are hereby repealed or modified accordingly.

**Section 10. Effectivity.** – This Act shall take effect fifteen (15) days after its publication in at least two (2) national newspapers of general circulation.

Approved,