

14th CONGRESS OF THE REPUBLIC)
OF THE PHILIPPINES)
Third Regular Session)

OFFICE OF THE CLERK

9 AUG -3 2007

SENATE

S.B. No. 3370

RECEIVED



Introduced by Senator Ramon Bong Revilla, Jr.

EXPLANATORY NOTE

The National Statistical Coordination Board defines median age at death as the median of the ages at death occurring in a population during a given year which divides the total number of deaths in a population classified by age into equal halves. It is a proxy for life expectancy that allows for simple trend analysis by sex, race, and cause of death. The calculation of median age at death only requires death data. Trends in median age at death are consistent with trends in life expectancy at birth. According to the National Statistics Office, in the year 2005, the median age at death for Filipinos is 61.9 years old.

This bill recognizes such issues and proposes to lower the required age of SSS members, for them to start receiving their retirement benefits. For a member who is unemployed and has paid at least 120 monthly contributions prior to the semester of retirement, required age is lowered from 60 years old to 55. On the other hand, a member, whether employed or not, who has reached the age of 65 years, required age is lowered from 65 to 60. This way, the retirees can benefit from their retirement and pension while still at a productive age. This bill will also allow them to endeavor into entrepreneurial businesses, if they choose to do so at an earlier time while they still have the energy and vitality to give them a reasonable chance of success.

Immediate passage of this bill is highly needed.



RAMON BONG REVILLA, JR.
Senator

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SENATE

S.B. No. 3370

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Introduced by Senator Ramon Bong Revilla, Jr.

**AN ACT AMENDING SECTION 12-B OF REPUBLIC ACT NO. 8282, OTHERWISE
KNOWN AS THE SOCIAL SECURITY ACT OF 1997**

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

SECTION 1. Section 12-B of Republic Act No. 8282, otherwise known as the Social Security Act Of 1997, is hereby amended to read as follows:

SEC. 12-B. Retirement Benefits. - (a) A member who has paid at least one hundred twenty (120) monthly contributions prior to the semester of retirement and who: (1) has reached the age of [sixty (60)] **FIFTY-FIVE (55)** years and is already separated from employment or has ceased to be self-employed; or (2) has reached the age of [sixty-five (65)] **SIXTY (60)** years, shall be entitled for as long as he lives to the monthly pension: Provided, That he shall have the option to receive his first eighteen (18) monthly pensions in lump sum discounted at a preferential rate of interest to be determined by the SSS.

"(b) A covered member who is [sixty (60)] **FIFTY-FIVE (55)** years old at retirement and who does not qualify for pension benefits under paragraph (a) above, shall be entitled to a lump sum benefit equal to the total contributions paid by him and on his behalf: Provided, That he is separated from employment and is not continuing payment of contributions to the SSS on his own.

"(c) The monthly pension shall be suspended upon the reemployment or resumption of self-employment of a retired member who is less than [sixty-five (65)] **SIXTY (60)** years old. He shall again be subject to Section Eighteen and his employer to Section Nineteen of this Act.

"(d) Upon the death of the retired member, his primary beneficiaries as of the date of his retirement shall be entitled to receive the monthly pension: Provided, That if he has no primary beneficiaries and he dies within sixty (60) months from the start of his monthly pension, his secondary beneficiaries shall be entitled to a lump sum benefit equivalent to the total monthly pensions corresponding to the balance of the five-year guaranteed period, excluding the dependents' pension.

"(e) The monthly pension of a member who retires after reaching age [sixty (60)] **FIFTY-FIVE (55)** shall be the higher of either: (1) the monthly pension computed at the earliest time he could have retired had he been separated from employment or ceased to be self-employed plus all adjustments thereto; or (2) the monthly pension computed at the time when he actually retires.

SECTION 2. Separability Clause. - If any provision or part hereof, is held invalid or unconstitutional, the remainder of the law or the provision not otherwise affected shall remain valid and subsisting.

SECTION 3. Repealing Clause. - All laws, presidential decrees or issuances, executive orders, letters of instruction, administrative orders or rules and regulations, which may be inconsistent with this Act shall be deemed repealed, amended or modified accordingly.

SECTION 4. Effectivity Clause. - This Act shall take effect fifteen (15) days following its publication in two (2) newspapers of general circulation.

Approved,