

14th Congress of the Republic)
of the Philippines)
3rd Regular Session)

SENATE
SB3568

10 JAN 19 21 29

RECEIVED PM

Introduced by Senator Aquilino Q. Pimentel, Jr.

EXPLANATORY NOTE

The Government Service Insurance Systems (GSIS) is a government financial institution in the country specifically tasked to ensure the social security benefits for the workers in the public sector. Such is the Herculean task played by the GSIS in the lives of government employees.

It is alarming, to say the least, that there are alleged discrepancies in the service records of GSIS members, contribution reports, the non-payment of dividends, non-deductions of loan remittances, among others, that threaten the government assurance for its members.


The GSIS authorities should undertake major endeavor to overhaul its services, by bringing up to date its documentation. And while this is being undertaken, there is an imperative need to provide remedial measure to this situation.

This bill seeks to authorize the Land Bank of the Philippines to receive payments of the monthly premium contributions from all government employees under Republic Act 8291, or the Government Service Insurance Systems Act, and to facilitate the payment of benefits, proceeds and claims under the said law.

To date, there are a total of 342 branches of the Land Bank of the Philippines nationwide, with 286 branches performing full banking services.

Under this measure, the authority given to the Land Bank of the Philippines shall be for a period of one year from its enactment. However, this period may be extended for a reasonable duration, until such time when the records of the GSIS service records, contribution reports, records on loans and remittances, and other related documents, are properly updated and organized. Thereafter, the authority granted to the Land Bank of the Philippines under this Act shall revert to the GSIS.

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


AQUILINO Q. PIMENTEL, JR.

14th Congress of the Republic)
of the Philippines)
3rd Regular Session)

07

10 JAN 19 11:29

SENATE
SB 3568

Introduced by Senator Aquilino Q. Pimentel, JR. RECEIVED BY 

AN ACT GRANTING AD INTERIM AUTHORITY TO THE LAND BANK OF THE PHILIPPINES TO RECEIVE PAYMENTS OF GOVERNMENT SERVICE INSURANCE SYSTEM MONTHLY PREMIUM CONTRIBUTIONS FROM THE EMPLOYEES OF THE GOVERNMENT, AND TO FACILITATE PAYMENT OF BENEFITS, PROCEEDS, AND CLAIMS UNDER REPUBLIC ACT 8291, OTHERWISE KNOWN AS THE GOVERNMENT SERVICE INSURANCE SYSTEM ACT OF 1997

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

SECTION 1. The Land Bank of the Philippines (LBP) is hereby authorized to receive payments of the monthly premium contributions from all government employees under Republic Act 8291, or the Government Service Insurance Systems (GSIS) Act, and to facilitate the payment of benefits, proceeds and claims under the said law.

SECTION 2. The powers and functions of GSIS to receive payments of the monthly premium contributions and facilitate payment of benefits, proceeds, and claims shall be transferred to the Land Bank of the Philippines for a period of one year from the enactment of this Act. During the said one year period, the GSIS shall update government employees' service records, contribution reports, records on loans and remittances, and other related documents. However, this period may be extended for a reasonable duration, until such time when the records of the GSIS are properly updated and organized. Thereafter, the authority granted under this Act shall automatically cease and the power granted to the LBP under this Act shall revert to the GSIS.

SECTION 3. All contracts and agreements entered into by the GSIS prior to the effectivity of this Act shall remain in full force and effect unless otherwise terminated, modified or amended for lawful cause.

SECTION 4. The GSIS and the LBP shall, within thirty (30) days from effectivity of this Act, issue such rules and regulations necessary for the proper implementation of the provisions of this law.

SECTION 5. Any provision of RA 8291, RA 3844, as amended, and all laws, executive orders, rules and regulations or any part thereof inconsistent herewith are deemed repealed, modified or amended accordingly.

SECTION 6. Separability Clause. In case any provision of this Act is declared unconstitutional or invalid, the other provisions hereof which are not affected thereby shall continue in full force and effect.

SECTION 7. Effectivity. — This Act shall take effect fifteen (15) days after its publication in two (2) national newspapers of general circulation.

Approved,