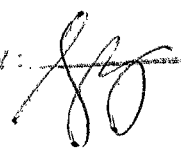


13<sup>TH</sup> CONGRESS OF THE REPUBLIC  
OF THE PHILIPPINES  
1<sup>ST</sup> REGULAR SESSION

DEPT. OF SECRETARY

\*04 JUN 30 P10:41

RECEIVED BY: 

SENATE  
S.B. No. 1175

**INTRODUCED BY SENATOR RAMON B. MAGSAYSAY, JR.**

#### **EXPLANATORY NOTE**

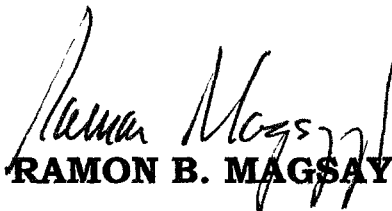
The New Government Service Insurance System Law is a law designed to expand and improve the social security and insurance program for the corps of government personnel. As intended, the statute increases pension benefits, expands disability benefits and will eventually extend the compulsory coverage of the social security and insurance program to all government officers and employees regardless of employment status.

The GSIS Law is an example of welfare legislation, a specie of labor laws geared toward the promotion of public welfare. But more than its nature of being a welfare. Legislation is its character of conveying the insignia of social justice. The GSIS Law is envisioned to fulfil the age-old tenet of social justice. Allowing equitable diffusion of wealth for the common good and the adoption by the government of measures calculated to ensure economic stability of all component element of society.

This amendatory bill is submitted in accord with the above-mentioned principles and is highlighted by the following provisions:

1. It allows retired government personnel to choose the retirement and separation program that will govern his/her entitlements and benefits. This was the original intention in Republic Act 8291 but was not expressly indicated in the existing statute. The amendment, therefore, is a remedial provision in accord with the "doctrine of compassionate justice" giving due weight to the equities of the situation and the involved persons. In this case, the retired government officers and employees who spent their best year in life in public service.
2. The benefits accorded under the law is made to effect retroactively so as to give equal justice under the law.

Immediate recognition of this legislation is earnestly sought citing its significance, being a mechanism imperative of every humane society.

  
**RAMON B. MAGSAYSAY, JR.**

13<sup>TH</sup> CONGRESS OF THE REPUBLIC  
OF THE PHILIPPINES  
1<sup>ST</sup> REGULAR SESSION

OFFICE OF THE SECRETARY

04 JUN 30 10:41

SENATE  
S.B. No. 1175

RECEIVED BY: 

**INTRODUCED BY SENATOR RAMON B. MAGSAYSAY, JR.**

AN ACT  
TO FURTHER AMEND PRESIDENTIAL DECREE NO. 1146 AS AMENDED  
BY REPUBLIC ACT NO. 8291 OTHERWISE KNOWN AS THE "REVISED  
GOVERNMENT SERVICE INSURANCE ACT OF 1977".

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

**Section 1.** Section 10 (b) of Presidential Decree No. 1146 as  
amended by R.A. 8291 is hereby further to read as follows:

**Section 2.** The same Presidential Decree is hereby amended by  
adding a new section after Section 14 to be denominated as Section 14-A  
to read as follow:

**"Section 14-A RETIREMENT OPTION-EMPLOYEES, INCLUDING THOSE WHO  
HAVE PREVIOUSLY RETIRED OR SEPARATED FROM THE SERVICE BUT WERE  
REEMPLOYED OR REINSTATED AND SUBSEQUENTLY COMPULSORILY RETIRED  
AFTER THE EFFECTIVITY AND IMPLEMENTATION OF R.A. 8291 AND THOSE WHO  
ARE IN THE GOVERNMENT SERVICE UPON THE EFFECTIVITY OF THE SAID LAW  
SHALL, AT THE TIME OF THEIR RETIREMENT, BE ACCORDED THE OPTION TO  
RETIRE UNDER R.A. 1616 OR R.A. 660, AND THEIR BENEFITS AND  
ENTITLEMENTS THERETO BE DETERMINED INACCORDANCE WITH THE  
PROVISIONS OF THE LAW SO OPTED OR CHOSEN."**

**Section 3. The Repealing Clause**---All laws and any other law or  
parts of law specifically inconsistent herewith are hereby repealed or  
modified accordingly: Provided, That the rights under existing laws, rules  
and regulations vested upon or acquired by an employee who is already  
in the service as of the effectivity of this Act shall remain in force and  
effect: *PROVIDED, FURTHER, THAT [SUBSEQUENT TO THE EFFECTIVITY  
OF THIS ACT] A NEW EMPLOYEE [OR AN EMPLOYEE] WHO HAS  
PREVIOUSLY RETIRED OR SEPARATED FROM THE SERVICE AND IS  
REEMPLOYED [ IN THE SERVICE SHALL BE COVERED BY THE  
PROVISIONS] AFTER THE EFFECTIVITY OF THE ACT, HIS SUBSEQUENT  
RETIREMENT SHALL BE COVERED BY THE PROVISIONS OF THIS ACT.*

**Section 4. Retroactivity Clause**---This Act shall have retroactive  
effect to those who have already retired compulsorily after the effectivity  
of R.A. 8291 but were not given the option to retire under R.A. 1616 or  
R.A. 660.

**Section 5. Effectivity**---This Act shall take effect fifteen (15) days  
after its publication in the Official Gazette or in at least two (2)  
newspapers of general circulation, which ever comes earlier.

*Approved*