

13th CONGRESS OF THE REPUBLIC)
OF THE PHILIPPINES)
FIRST REGULAR SESSION)

'04 JUL -6 A11:20

SENATE

RECEIVED BY: 

S: BILL NO. 1363

INTRODUCED BY HONORABLE RALPH G. RECTO

EXPLANATORY NOTE

This bill seeks to rationalize the disbursement of funds by the Social Security System (SSS) for operating expense thereby reaping more benefits in favor of the system's contributing members.

This legislation aims to safeguard the members' contributions and the system's fund by lowering the cap on its administrative costs thereby, reducing it from 12% to 8% of annual contributions and from 3% to 2% of other revenues.

The System with its wanton and extravagant disbursement of funds in favor of its leadership in the guise of salaries and perks amidst penny pinching of lowly employees cast doubts in its mandated duty as beacon of social legislation to the private working sector. Moreso, this legislation, finds no anchor that SSS has opted to impose stricter rules in its lending operations and needs to raise members' contribution rate to keep the System onshore.

Through this measure, the members are assured of sound management practices and sustained operations and more effective delivery of social security benefits.

In this light that immediate passage of this bill is earnestly sought.


RALPH G. RECTO

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SEC. 3. **Repealing Clause.** - All other laws, decrees, orders, issuances and rules and regulations or parts thereof inconsistent with this Act are hereby amended or repealed accordingly.

SEC.4. **Separability Clause.** - The provisions of this Act are hereby declared to be separable and, in the event any of such provisions is declared unconstitutional, the order provision which is not affected thereby shall remain in full force and effect.

SEC.5. **Effectivity.** - This Act shall take effect fifteen (15) days after its complete publication in at least two (2) newspapers of general circulation.

Approved,