

SENATE

S.B. No. 2506

(In substitution of Senate Bill Nos. 126, 133, 160, 259, 570, 1267 and 2243, taking into consideration House Bill No. 9459)

Prepared and submitted by the Committees on Social Justice, Welfare and Rural Development (upon the recommendation of the Subcommittee on Social Pension Bills); and Finance with Senators Poe, Angara, Hontiveros, De Lima, Pangilinan, Binay, Revilla, Sotto III and Villanueva, as authors thereof

AN ACT
INCREASING THE SOCIAL PENSION OF INDIGENT SENIOR CITIZENS AND
APPROPRIATING FUNDS THEREFOR, AMENDING FOR THE PURPOSE
REPUBLIC ACT NO. 7432 ENTITLED, 'AN ACT TO MAXIMIZE THE
CONTRIBUTION OF SENIOR CITIZENS TO NATION BUILDING, GRANT
BENEFITS AND SPECIAL PRIVILEGES AND FOR OTHER PURPOSES,' AS
AMENDED, AND FOR OTHER PURPOSES

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

1 **SECTION 1.** Section 2 of Republic Act No. 7432, as amended, is hereby further
2 amended to read as follows:

3

4 "SEC. 2. Definition of Terms. – For purposes of this Act, these terms are
5 defined as follows:

6

7 "(a) x x x;

8

9 x x x;

10

1 (h) x x x;
2

3 (I) **PENSION PROVIDER** REFERS TO ANY
4 GOVERNMENT OFFICE OR AGENCY, OR ANY
5 PRIVATE ENTITY WHICH PROVIDES PENSIONS TO
6 ENTITLED RECIPIENTS ON THE BASIS OF
7 CONTRIBUTIONS, GRATUITY, OR AS MANDATED
8 BY ANY GOVERNING LAW OR ISSUANCE,
9 INCLUDING THE SOCIAL SECURITY SYSTEM (SSS),
10 THE GOVERNMENT SERVICE INSURANCE SYSTEM
11 (GSIS), AND THE PENSION AND GRATUITY
12 MANAGEMENT CENTER (PGMC);
13

14 (J) **SOCIAL PENSION** REFERS TO THE MONETARY
15 GRANT FROM THE GOVERNMENT TO SUPPORT THE
16 DAILY SUBSISTENCE AND MEDICAL NEEDS OF
17 SENIOR CITIZENS WHICH SHALL NOT BE LESS
18 THAN ONE THOUSAND PESOS (PHP 1,000.00) PER
19 MONTH.”
20

21 **SEC. 2.** Section 5 of Republic Act No. 7432, as amended, is hereby further
22 amended to read as follows:
23

24 “SEC. 5. Government Assistance. – The government shall provide the
25 following:
26

27 “(a) Employment

28 x x x;
29

30 “Private entities that will employ senior citizens as
31 employees, upon the effectivity of this Act, shall be entitled
32 to an additional deduction from their gross income,

1 equivalent to fifteen percent (15%) of the total amount
2 paid as salaries and wages to senior citizens, subject to
3 the provision of Section 34 of the NIRC, as amended:
4 Provided, however, That such employment shall continue
5 for a period of at least six (6) months: Provided, further,
6 That the annual income of the senior citizen does not
7 exceed the latest poverty threshold as [~~determined~~]
8 **PUBLISHED** by the [~~National Statistical Coordination~~
9 ~~Board (NSCB) of the National Economic and Development~~
10 ~~Authority (NEDA)] **PHILIPPINE STATISTICS**
11 **AUTHORITY (PSA)** for that year.~~

12
13 x x x;

14
15 (h) Additional Government Assistance

16
17 (1) **MANDATORY** Social Pension

18
19 "Indigent senior citizens shall be entitled to a monthly
20 stipend amounting to [~~Five hundred~~] **NOT LESS THAN**
21 **ONE THOUSAND PESOS** [~~(Php500)] (Php1,000.00)~~ to
22 augment the daily subsistence and other medical needs of
23 senior citizens [~~subject to a review every two (2) years by~~
24 ~~Congress, in consultation with the DSWD].~~

25
26 **THE DSWD SHALL, SUBJECT TO THE APPROVAL OF**
27 **THE DEPARTMENT OF BUDGET AND MANAGEMENT**
28 **(DBM), IN CONSULTATION WITH OTHER**
29 **STAKEHOLDERS, REVIEW AND, WHEN NECESSARY,**
30 **ADJUST THE AMOUNT THE SOCIAL PENSION**
31 **EVERY TWO (2) YEARS AFTER THE EFFECTIVITY OF**
32 **THIS ACT, TAKING INTO ACCOUNT THE PRESENT**

1 **CONSUMER PRICE INDEX AS PUBLISHED BY THE**
2 **PSA AND RELEVANT ECONOMIC INDICATORS, AS**
3 **REPORTED AND PUBLISHED BY PERTINENT**
4 **GOVERNMENT AGENCIES AND AUTHORITIES.**

5
6 (2) x x x

7
8 (3) Social Safety Nets

9
10 Social safety assistance intended to cushion the effects of
11 economic shocks, disasters, and calamities shall be
12 available for senior citizens. The social safety assistance
13 which shall include [, ~~but not limited to~~] food, medicines,
14 and financial assistance for domicile repair, shall be
15 sourced from the disaster/calamity funds of LGUs where
16 the senior citizens reside, subject to the guidelines to be
17 issued by the [DSWD] **NCSC.**"

18
19 **SEC. 3. Form and Manner of Payment.** – The monthly stipend shall be
20 released to target beneficiaries either in cash, direct remittance through the
21 engagement of a service provider duly accredited by the Bangko Sentral ng Pilipinas,
22 electronic transfer, or other modes of delivery, whichever is more practical and
23 acceptable to the beneficiary, ensuring its release in the most expeditious and efficient
24 manner.

25
26 **SEC. 4. Waiver of Fees.** – Any transaction or service fee arising from the
27 engagement of a service provider, electronic transfer, or other modes of delivery with
28 services fees for the release of the monthly stipends and other forms of assistance to
29 target beneficiaries shall not be charged against the target beneficiaries.

30
31 **SEC. 5. Transfer of Functions from the DSWD.** – The implementation,
32 distribution, and management of the social pension for senior citizens shall, in

1 accordance with Section 11 of Republic Act No. 7742, as amended by Republic Act No.
2 11350, be transferred from the DSWD to the National Commission of Senior Citizens
3 (NCSC) within a period not exceeding three (3) years from the effectivity of this Act.
4

5 The absorption or transfer of regular or permanent and other employees of the
6 affected offices and programs of DSWD shall be done in accordance with applicable
7 laws, including civil service laws, rules, and regulations, and subject to the approval
8 of DBM.
9

10 **SEC. 6. List of Beneficiaries.** – The DSWD, and thereafter upon full
11 transfer of its functions and programs to the NCSC, shall update and validate the list
12 of beneficiaries under this Act, in coordination with local government units and the
13 PSA, through its community-based monitoring system established under Republic Act
14 No. 11315, otherwise known as the “Community-Based Monitoring System Act”.
15

16 **SEC. 7. Implementing Rules and Regulations.** – Within thirty (30) days
17 from the effectivity of this Act, the NCSC shall, in consultation with DSWD, DBM and
18 other concerned government agencies, as well as nongovernmental organizations
19 and people’s organizations of senior citizens duly accredited by the DSWD,
20 promulgate the necessary rules and regulations for the effective implementation of
21 this Act.
22

23 **SEC. 8. Appropriations.** – The amount necessary for the initial
24 implementation of this Act shall be charged against the current appropriations of the
25 DSWD. Thereafter such amount necessary for the continued implementation of this
26 Act shall be included in the annual General Appropriations Act.
27

28 **SEC. 9. Separability Clause.** – If any provision of this Act shall be held
29 unconstitutional or invalid, the other provisions not otherwise affected shall remain
30 in full force and effect.
31

32 **SEC. 10. Repealing Clause.** – All laws, decrees, orders, issuances, and rules

1 and regulations or parts thereof inconsistent with the provisions of this Act are hereby
2 repealed or modified accordingly.

3

4 **SEC. 11. Effectivity.** - This Act shall take effect fifteen (15) days after its
5 publication in the Official Gazette or in a newspaper of general circulation.

6

7 Approved,