



S E N A T E

S. No. 2506

PREPARED AND SUBMITTED BY THE COMMITTEES ON SOCIAL JUSTICE, WELFARE AND RURAL DEVELOPMENT (SUB-COMMITTEE ON SOCIAL PENSION BILLS); AND FINANCE WITH SENATORS POE, ANGARA, HONTIVEROS, PANGILINAN, BINAY, DE LIMA, REVILLA JR., SOTTO III VILLANUEVA, GO AND ZUBIRI AS AUTHORS

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
2 amended, is hereby further amended to read as follows:

1 “SEC. 2. *Definition of Terms.* – For
2 purposes of this Act, these terms are defined as
3 follows:

4 “(a) x x x;

5 x x x;

6 (h) x x x;

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

1 (J) *SOCIAL PENSION* REFERS TO THE
2 MONETARY GRANT FROM THE
3 GOVERNMENT TO SUPPORT THE DAILY
4 SUBSISTENCE AND MEDICAL NEEDS OF
5 SENIOR CITIZENS WHICH SHALL NOT BE
6 LESS THAN ONE THOUSAND PESOS (PHP
7 1,000.00) PER MONTH.”

8 SEC. 2. Section 5 of Republic Act No. 7432, as
9 amended, is hereby further amended to read as follows:

10 “SEC. 5. *Government Assistance*. – The
11 government shall provide the following:

12 “(a) Employment

13 x x x;

14 “Private entities that will employ senior
15 citizens as employees, upon the effectivity of
16 this Act, shall be entitled to an additional
17 deduction from their gross income, equivalent
18 to fifteen percent (15%) of the total amount
19 paid as salaries and wages to senior citizens,
20 subject to the provision of Section 34 of the

1 NIRC, as amended: Provided, however, That
2 such employment shall continue for a period of
3 at least six (6) months: Provided, further, That
4 the annual income of the senior citizen does not
5 exceed the latest poverty threshold as
6 ~~[determined]~~ PUBLISHED by the ~~[National~~
7 ~~Statistical Coordination Board (NSCB) of the~~
8 ~~National Economic and Development Authority~~
9 ~~(NEDA)]~~ PHILIPPINE STATISTICS
10 AUTHORITY (PSA) for that year.

11 x x x;

12 (h) Additional Government Assistance

13 (1) MANDATORY Social Pension

14 “Indigent senior citizens shall be entitled
15 to a monthly stipend amounting to ~~[Five~~
16 ~~hundred]~~ NOT LESS THAN ONE THOUSAND
17 PESOS ~~[(Php500)]~~ (Php1,000.00) to augment
18 the daily subsistence and other medical needs
19 of senior citizens ~~[subject to a review every two~~

1 ~~(2) years by Congress, in consultation with the~~
2 ~~DSWD].~~

3 THE DSWD SHALL, SUBJECT TO THE
4 APPROVAL OF THE DEPARTMENT OF
5 BUDGET AND MANAGEMENT (DBM), IN
6 CONSULTATION WITH OTHER
7 STAKEHOLDERS, REVIEW AND, WHEN
8 NECESSARY, ADJUST THE AMOUNT THE
9 SOCIAL PENSION EVERY TWO (2) YEARS
10 AFTER THE EFFECTIVITY OF THIS ACT,
11 TAKING INTO ACCOUNT THE PRESENT
12 CONSUMER PRICE INDEX AS PUBLISHED
13 BY THE PSA AND RELEVANT ECONOMIC
14 INDICATORS, AS REPORTED AND
15 PUBLISHED BY PERTINENT
16 GOVERNMENT AGENCIES AND
17 AUTHORITIES.

18 (2) x x x

19 (3) Social Safety Nets

1 Social safety assistance intended to
2 cushion the effects of economic shocks,
3 disasters, and calamities shall be available for
4 senior citizens. The social safety assistance
5 which shall include [, but not limited to] food,
6 medicines, and financial assistance for domicile
7 repair, shall be sourced from the
8 disaster/calamity funds of LGUs where the
9 senior citizens reside, subject to the guidelines
10 to be issued by the [~~DSWD~~] NCSC.”

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

19 SEC. 4. *Waiver of Fees.* – Any transaction or service
20 fee arising from the engagement of a service provider,

1 electronic transfer, or other modes of delivery with services
2 fees for the release of the monthly stipends and other
3 forms of assistance to target beneficiaries shall not be
4 charged against the target beneficiaries.

5 SEC. 5. *Transfer of Functions from the DSWD.* – The
6 implementation, distribution, and management of the
7 social pension for senior citizens shall, in accordance with
8 Section 11 of Republic Act No. 7742, as amended by
9 Republic Act No. 11350, be transferred from the DSWD to
10 the National Commission of Senior Citizens (NCSC) within
11 a period not exceeding three (3) years from the effectivity
12 of this Act.

13 The absorption or transfer of regular or permanent
14 and other employees of the affected offices and programs of
15 DSWD shall be done in accordance with applicable laws,
16 including civil service laws, rules, and regulations, and
17 subject to the approval of DBM.

18 SEC. 6. *List of Beneficiaries.* – The DSWD, and
19 thereafter upon full transfer of its functions and programs
20 to the NCSC, with the assistance of the PSA through

1 community-based monitoring system established under
2 Republic Act No. 11315, otherwise known as the
3 “Community-Based Monitoring System Act”, and
4 validation by the local government units, the list of target
5 beneficiaries shall be updated and validated annually.

6 SEC. 7. *Implementing Rules and Regulations.* – Within
7 thirty (30) days from the effectivity of this Act, the NCSC
8 shall, in consultation with DSWD, DBM and other
9 concerned government agencies, as well as
10 nongovernmental organizations and people’s organizations
11 of senior citizens duly accredited by the DSWD,
12 promulgate the necessary rules and regulations for the
13 effective implementation of this Act.

14 SEC. 8. *Appropriations.* – The amount necessary for
15 the initial implementation of this Act shall be charged
16 against the current appropriations of the DSWD.
17 Thereafter such amount necessary for the continued
18 implementation of this Act shall be included in the annual
19 General Appropriations Act.

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

5 SEC. 10. *Repealing Clause.* – All laws, decrees,
6 orders, issuances, and rules and regulations or parts
7 thereof inconsistent with the provisions of this Act are
8 hereby repealed or modified accordingly.

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

Approved,