

NINETEENTH CONGRESS OF THE	
REPUBLIC OF THE PHILIPPINES	,
First Regular Session	

22 JUL -7 P4:08

SENATE
S. No. <u>166</u>

RECEIVED BY:

INTRODUCED BY SENATOR JOSEPH VICTOR "JV" G. EJERCITO

AN ACT

GRANTING RETIREMENT BENEFITS TO ALL ELECTIVE OR APPOINTIVE BARANGAY OFFICIALS WHO HAVE RENDERED A PERIOD OF NINE (9) YEARS OR THREE TERMS OF PUBLIC SERVICE IN THE BARANGAY, AND APPROPRIATING FUNDS THEREFOR

EXPLANATORY NOTE

Our barangay officials are the first line of defense and first responder of the national government. They are the main agent in the delivery of services to the grassroots. However, these officials and employees do not receive adequate compensation, most especially to those in the far flung barangays. They receive salaries in the form of honoraria which is dependent on the availability of funds of the local government unit concerned. Likewise, they are not automatically entitled to be beneficiaries of the Government Service Insurance System (GSIS), just like any other government workers.

Many of our barangay officials and employees have devoted their entire life serving their communities. Transitioning to retirement can be financially tough, most especially to those who are not fortunate enough to have the chance to prepare.

Through this measure our barangay officials will be compensated with their years of government service as they spend their twilight years. This proposed measure seeks to establish a retirement system for our elective and appointive barangay officials who have been in service for nine (9) years. The bill provides for a retirement

benefit which is equal to a monthly pension for life amounting to not less than sixty-five percent (65%) of the monthly average honoraria and other allowances. Furthermore, barangay officials and employees are also entitled to death and disability benefits, in case where the barangay official dies or becomes permanently incapacitated while in the performance of his/her duty. Thus, the Government Services Insurance System (GSIS) is mandated to establish and administer an appropriate retirement system for our barangay workers.

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

JOSEPH VICTOR "JV" G. EJERCITO

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

SECTION 1. Short Title. - This Act shall be known as the "Barangay Officials Retirement Benefits Act"

Sec. 2. *Coverage* - All elective and appointive barangay officials who shall be at least sixty (60) years of age and have rendered nine (9) years or three terms of honorable service as barangay official and, have opted for retirement, shall be entitled to receive retirement benefits provided in this Act. *Provided*, that any such official who dies or becomes permanently incapacitated while in the performance of his/her duty, regardless of his/her age and number of years in service.

Sec. 3. *Retirement Benefit* - A barangay official entitled to retirement benefits under this Act shall receive a monthly pension for life amounting to not less than sixty-five percent (65%) of the monthly average honoraria, allowances and other emoluments authorized by law or by city, municipal or barangay ordinance.

Sec. 4. *Death and Disability Benefits.* - In case the barangay official dies or becomes permanently incapacitated while in the performance of his/her duty, regardless of his/her age and length of service, his/her heirs shall receive a lump sum amount equivalent to five (5) years of his/her retirement pension, as provided in Section 3 of this Act.

Sec. 5. *Administration of Retirement System.* - Within sixty (60) days from the approval of this Act, the Government Services Insurance System (GSIS) shall establish and administer an appropriate system under which barangay officials shall enjoy retirement benefits. The GSIS shall undertake actuarial study to determine the funding requirement for the operation and maintenance of the retirement system.

Sec. 6. *Appropriations.* -The amount so determined by the GSIS shall be initially charged to the appropriations of the Department of the Interior and Local Government (DILG) under the current General Appropriations Act. Thereafter, such sum as may be necessary for the continued operation and maintenance of the retirement system, shall be included in the annual budget of the municipality or city to which the barangay belongs. The initial appropriations provided by the DILG and the subsequent annual budgets provided by the municipal and city government for the operation and maintenance of the retirement system shall be released to the GSIS.

Sec. 7. *Implementing Rules and Regulations.* - The GSIS, in coordination with the DILG, shall promulgate the necessary rules and regulations for the implementation of this Act.

Sec. 8. *Existing Benefits.* - Nothing in this Act shall be construed as to diminish, in any way, any existing benefits provided by laws, rules and regulations, local ordinances or any other issuances to barangay officials.

Sec. 9. *Repealing Clause.* - All laws, decrees, executive orders and other issuances or parts thereof inconsistent with this Act are hereby repealed or modified accordingly.

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

Approved,

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