NINETEENTH CONGRESS OF THE
REPUBLIC OF THE PHILIPPINES
First Regular Session



'22 OCT 20 A8:11

SENATE S. No. 1404

))

RECEIVED BY:

Introduced by SENATOR RAMON BONG REVILLA, JR.

AN ACT

ADJUSTING THE MONTHLY PENSION AND DISABILITY BENEFITS OF RETIREES OF THE DEPARTMENT OF FOREIGN AFFAIRS, AND APPROPRIATING FUNDS THEREFOR

EXPLANATORY NOTE

Article XVI, Section 8 of the Constitution mandates that "the State shall, from time to time, review to upgrade the pensions and other benefits due to retirees of both the government and private sectors."

Section 62 of Republic Act No. 7157 or the "*Philippine Foreign Service Act of 1991*" provides that, "All permanent officers and employees of the Service who are citizens of the Philippines shall have compulsory insurance coverage under the rules and regulations governing the same: *Provided*, however, That the President upon recommendation of the Secretary may, as soon as practicable, submit for enactment by Congress a foreign affairs retirement and disability system, taking into account the difficulties of foreign service personnel in setting aside sufficient savings to take care their eventual retirement in the Philippines due to old age or some other disability, with the increased burden of establishing a home in the Philippines after completion of their tour of duty abroad."

Existing law recognizes the unique position of foreign service workers and officials who perform their mandated duties as public servants overseas. They take on sensitive diplomatic responsibilities of advancing the nation's interests in foreign lands, and respond to the varied concerns of millions of migrant Filipinos. They promote the

welfare and ensure the safety of overseas workers amid threats of war, natural calamities, economic recession, epidemics, and other crisis situations. Their valuable work in pursuing friendly and lasting international relations are enjoyed by all Filipinos in terms of enhanced national security, generation of jobs, entry of foreign investments, expanded trading, vibrant tourism sector, among many others.

This legislation proposes a foreign affairs retirement and disability system considering the complex nature of their work and hardships of overseas deployment. It also seeks to honor the hard work, professionalism and dedication of our foreign service personnel as the country's frontliners and flag-bearers in the international arena, through the institution of a decent and appropriate pension scheme.

In this light, the immediate passage of this bill is highly recommended.

RAMON BONG REVILLA, JR.

NINETEENTH CONGRESS OF THE
REPUBLIC OF THE PHILIPPINES
First Regular Session

3

4

5

8

9

10

11

12

13

14

15

16

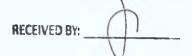
17



'22 OCT 20 A8:11

SENATE
S. No. 1404

)))



Introduced by SENATOR RAMON BONG REVILLA, JR.

AN ACT

ADJUSTING THE MONTHLY PENSION AND DISABILITY BENEFITS OF RETIRES OF THE DEPARTMENT OF FOREIGN AFFAIRS, AND APPROPRIATING FUNDS THEREFOR

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

- Section 1. Short Title. This Act shall be known as the "Foreign Affairs Retirement and Disability Benefits Act."
 - Sec. 2. *Covered Retirees and Retirement Benefits.* This Act shall apply to all retired officers and employees of the Department of Foreign Affairs (DFA) who:
 - a. Served in the Department for at least 15 years; and
- b. Are eligible to receive a monthly pension from the Government Service
 Insurance System (GSIS).
 - They shall receive, during the residue of their natural life, an additional pension which shall be the difference between their monthly pension and the highest monthly salary of an incumbent officer or employee, occupying the same or equivalent rank, and subject to further adjustment as provided under this Act.
 - This Act shall also apply prospectively to DFA officers and employees who retired prior to the effectivity of this Act.
 - All other officers and employees of the DFA, who have also retired after serving in the DFA but who have not met all the abovementioned requirements, shall instead be covered by applicable benefits under the GSIS Act, as amended.
 - Sec. 3. Adjustment of Monthly Pension. The monthly pension benefits of all

- retirees of the DFA, as provided under Republic Act No. 7157 or the "*Philippine Foreign*"
- 2 Service Act of 1991", shall, upon the effectivity of this Act, be automatically adjusted
- to the existing rate, and any subsequent increase thereof, of the salary grade of the
- 4 rank they held upon their retirement.

- Sec. 4. *Additional Entitlements.* All officers and employees covered by Section 2 of this Act, shall be eligible for disability and death benefits in the same manner provided under the GSIS Act, as amended, and other relevant laws.
 - Sec. 5. Exemption of Pension from Income Tax, Attachment, Levy, Garnishment. Any pension granted to a beneficiary under this Act shall not, wholly or partly, be subject to income tax, attachment, execution, forfeiture, or retention under any legal or equitable proceedings, nor shall any lien of any kind or under any consideration be imposed thereon.
 - Sec. 6. *Survivorship Benefits.* In case of death of a DFA retiree or personnel who has met the requirements provided in Section 2, the following shall be entitled to receive the adjusted retirement benefits that the deceased was receiving or entitled to receive:
 - (a) Their surviving spouse, during their lifetime, or until they remarry; and
 - (b) Their dependent minor children.
 - Said benefits shall be distributed or apportioned in accordance with the GSIS Act, as amended.
 - Sec. 7. Appropriation and Funding Source. The differential funding requirements for the initial implementation of this Act shall be charged against the current year's savings of the DFA. Thereafter, the annual differential amount necessary for GSIS to pay the adjusted monthly pension and other benefits to implement the provisions of this Act shall be included in the General Appropriations Act annually, to be sourced from the DFA's annual consular income as a percentage thereof.
 - Sec. 8. *Implementing Rules and Regulations (IRR).* Within ninety (90) days after the effectivity of this Act, DFA shall issue the necessary rules and regulations for the effective implementation of this Act, in coordination with relevant government agencies.
 - Sec. 9. Separability Clause. If any provision of this Act is declared invalid or

- unconstitutional, the remaining provisions not affected shall continue to be in full force and effect.
- Sec. 10. *Repealing Clause.* All laws, decrees, executive orders, or rules and regulations contrary to or inconsistent with this Act are hereby repealed or modified accordingly.
 - Sec. 11. *Effectivity Clause.* This Act shall take effect fifteen (15) days after its publication in the *Official Gazette* or in two (2) newspapers of general circulation in the Philippines.

Approved,

6

7

8