


FOURTEENTH CONGRESS OF THE REPUBLIC)
OF THE PHILIPPINES)
First Regular Session)

8 APR 17 PC

SENATE
S. No. 2165

RECEIVED BY 

Introduced by Senator Miriam Defensor Santiago

EXPLANATORY NOTE

This bill seeks to amend Sections 13, subparagraph (b) and 13-A, subparagraph 2 of Republic Act No. 8291 otherwise known as the Government Service Insurance Act of 1997. The primary objective of this measure is to allow government employees to retire after serving the government for a period of twenty (20) years regardless of the retirement age requirement under existing retirement laws.

For many decades now, the Government Service Insurance System (GSIS) has sustained a seemingly obsolete and impractical age requirement for optional and compulsory retirement age of sixty (60) and sixty-five (65) years respectively. This may be considered irrelevant and incompatible to the present state of economic life of the Filipino people in the light of the economic and political changes brought about by globalization trend and other factors such as rapid population growth and the increasing unemployment rate.

This measure will certainly help open windows of opportunities for prospective retirees giving them better choice in planning the future of their respective families considering the amount they will receive from retirement benefits while they are still strong and capable of venturing into other fields. It will also help attain efficiency in the government service as it will not only enable the government to get rid of government employees, who no longer have the drive to perform efficiently as they are just waiting for the right age to retire but will give the government the opportunity to hire fresh legs and minds to fill the positions to be vacated by retiring employees for the benefit of public service.

This is a Senate counterpart bill to one filed in the House of Representatives by Rep.

Emilio C. Macias II.

Miriam Defensor Santiago
MIRIAM DEFENSOR SANTIAGO

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AN ACT

PROVIDING FOR THE WAIVER OF THE RETIREMENT AGE REQUIREMENT OF
GOVERNMENT EMPLOYEES WHO HAVE RENDERED AT LEAST
TWENTY YEARS (20) OF SERVICE, FURTHER AMENDING FOR THE PURPOSE
PRESIDENTIAL DECREE NO. 1146, AS AMENDED, OTHERWISE KNOWN AS THE
REVISED GOVERNMENT SERVICE INSURANCE SYSTEM ACT OF 1977

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

SECTION 1. Section 13 of Presidential Decree No. 1146, as amended, otherwise known
as the Revised Government Service Insurance System Act of 1977, is hereby amended to read as
follows:

“SEC. 13. *Retirement Benefits.* - (a) Retirement Benefits shall be:

(1) the lump sum payment as defined in this Act payable at the
time of retirement plus an old -age pension benefit equal to the basic
monthly pension payable monthly for life, starting upon expiration of the
five-year (5) guaranteed period covered by the lump sum; or

(2) cash payment equivalent to eighteen (18) months of his basic
monthly pension plus monthly pension for life payable immediately with
no five-year (5) guarantee.

(b) Unless the service is extended by appropriate authorities, retirement
shall be compulsory for an employee at least sixty-five (65) years of age with at
least fifteen (15) years of service: Provided, That if he has less than fifteen (15)
years of service, he may be allowed to continue in the service in accordance with
existing civil service roles and regulations.”

1 SECTION 2. Section 13-A of the same law, is hereby amended to read as follows:

2 "SEC. 13-A. *Conditions for Entitlement.* - A member who retires from the
3 service shall be entitled to the retirement benefits enumerated in paragraph (a) of
4 Section 13 hereof. Provided, That:

- 5 (1) he has rendered at least fifteen(15) years of service;
- 6 (2) he is at least sixty (60) years of age at the time of retirement; and
- 7 (3) he is not receiving a monthly pension benefit from permanent total
8 disability.

9 PROVIDED, FURTHER, THAT IF HE HAS RENDERED AT LEAST
10 TWENTY (20) YEARS OF SERVICE, THE RETIREMENT AGE
11 REQUIREMENT UNDER THIS ACT SHALL BE WAIVED."

12 SECTION 3. All laws, decrees, executive orders and rules and regulations which are
13 inconsistent with this Act are hereby amended, repealed or modified accordingly.

14 SECTION 4. This Act shall take effect upon its approval.

15 Approved,