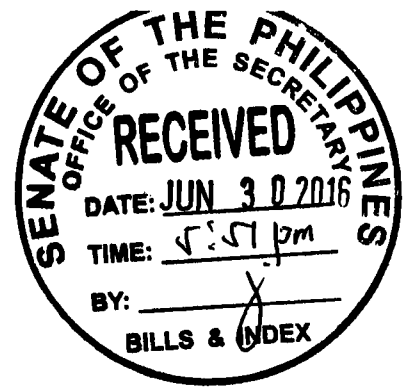


SEVENTEENTH CONGRESS OF THE REPUBLIC)
OF THE PHILIPPINES)
First Regular Session)



SENATE
S. B. No. 181

Introduced by Senator Maria Lourdes Nancy S. Binay

AN ACT INCREASING PENSIONS AND OTHER BENEFITS UNDER THE SOCIAL SECURITY SYSTEM, AMENDING FOR THE PURPOSE SECTION 12 OF REPUBLIC ACT NO. 1161, AS AMENDED, OTHERWISE KNOWN AS THE SOCIAL SECURITY LAW

EXPLANATORY NOTE

Numerous Social Security System (SSS) pensioners have experienced difficulties in the continuing increase of cost of living in the country. The inconsiderable amount that these pensioners receive as their monthly pension is rendered sadly inadequate to meet even their daily basic needs.

Under the Social Security Law as amended, SSS members with at least ten (10) credited years of service are provided a monthly pension of One Thousand Two Hundred Pesos (P1,200.00) while those with twenty (20) credited years are given Two Thousand Four Hundred Pesos (P2,400.00). It bears emphasis that employees who retired under the old SSS Law, R.A. 1161, are even given lesser monthly pension.

During the 16th Congress, a similar measure of increasing the SSS pension was passed by both houses but was unfortunately vetoed. In this congress, this representation supports this measure which proposes to increase the SSS pension to Three Thousand Two Hundred Pesos (P3,200.00) for those members with at least ten (10) credited years and Four Thousand Pesos (P4,000.00) for those members with at least twenty (20) credited years.

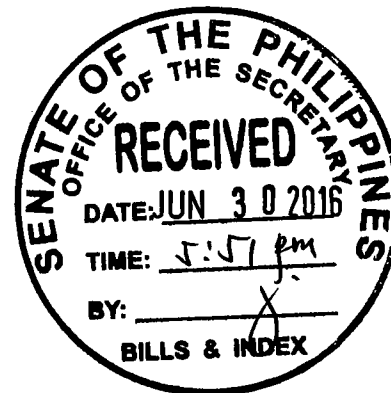
It is worthy to note that SSS pensioners who are mostly senior citizen retirees depend only on their pension to support their basic needs and this would include medical attention. Providing pensioners said increase would ensure the responsiveness of their pensions in availing basic necessities in life.

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


MARIA LOURDES NANCY S. BINAY

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2 SECURITY SYSTEM, AMENDING FOR THE PURPOSE SECTION 12 OF
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4 SOCIAL SECURITY LAW
5

6 *Be it enacted by the Senate and House of Representatives of the Philippines in Congress*
7 *assembled:*
8

9 SECTION 1. Section 12 of Republic Act No. 1161, as amended by Republic Act No. 8282,
10 is hereby further amended to read as follows:
11

12 "SEC. 12. *Monthly Pension.* –

13 (a) The monthly pension shall be the highest of the following amounts

14 (1) The sum of the following:

15 (i) Three hundred pesos (P300); plus

16 (ii) Twenty percent (20%) of the average monthly salary credit;
17 plus

18 (iii) Two percent (2%) of the average monthly salary credit for each
19 credited year of service in excess of ten (10) years; or

20 (2) Forty percent (40%) of the average monthly salary credit; or

21 (3) One thousand pesos (P1,000): *Provided*, That the monthly pension
22 shall in no case be paid for an aggregate amount of less than sixty (60)
23 months.
24

25 (b) Notwithstanding the preceding paragraph, the minimum MONTHLY
26 pension shall be [One thousand two hundred pesos (P1,200)] THREE
27 THOUSAND TWO HUNDRED PESOS (P3,200.00) for members with at least
28 ten (10) credited years of service and [Two thousand four hundred pesos
29 (P2,400)] FOUR HTOUSAND PESOS for those with twenty (20) credited
30 years of service.
31

32 THE NEW INCREASE SHALL BE GIVEN IN TWO EQUAL
33 INSTALLMENTS AND MUST BE COMPLETED IN THREE (3) YEARS
34 AFTER THE EFFECTIVITY OF THIS ACT.

1
2 THE COMMISSION SHALL EQUITABLY AND PROPORTIONATELY
3 ADJUST THE MONTHLY PENSION OF OTHER ENTITLED MEMBERS
4 OR BENEFICIARIES TO PRESERVE THE INTEGRITY AND FAIRNESS
5 OF THE PENSION PROGRAM.”
6

7 SECTION 2. Section 12-B(a) of Republic Act No. 1161, as amended by Republic Act No.
8 8282, is hereby further amended to read as follows:

9 “SEC. 12-B. *Retirement Benefits.* –

10 (a) A member who has paid at least one hundred twenty (120) monthly
11 contributions prior to the semester of retirement and who (1) has reached the
12 age of sixty (60) years and is already separated from employment or has ceased
13 to be self-employed or (2) has reached the age of sixty-five (65) years, shall be
14 entitled for as long as he lives to the monthly pension [: Provided, That he shall
15 have the option to receive his first eighteen (18) monthly pensions in lump sum
16 discounted at a preferential rate of interest to be determined by the SSS.]”
17

18 THE MEMBER SHALL ALSO BE ENTITLED TO AN EQUIVALENT OF
19 SIX (6) MONTHLY PENSIONS IN LUMP SUM, WHICH HE SHALL
20 RECEIVE IN ADDITION TO HIS FIRST MONTHLY PENSION.”
21

22 SECTION 3. *Separability Clause.* Should any provision of this Act or any part thereof be
23 declared invalid, the other provisions, so far as they are separable from the invalid ones,
24 shall remain in force and effect.
25

26 SECTION 4. *Repealing Clause.* Any law, presidential decree or issuance, executive order,
27 letter of instruction, administrative order, rule or regulation inconsistent with this Act is
28 hereby repealed, modified or amended accordingly.
29

30 SECTION 5. *Effectivity Clause.* This Act shall take effect fifteen (15) days after its
31 publication in at least two (2) newspapers of general circulation
32

33 Approved,