



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

'17 FEB 22 P4:37

SENATE

RECEIVED BY: _____

COMMITTEE REPORT NO. 37

Submitted jointly by the Committees on Civil Service, Government Reorganization and Professional Regulation; and on Finance on FEB 22 2017

Re: S. No. 286

Recommending its approval with amendment

Sponsor: Senator Antonio "Sonny" F. Trillanes IV

MR. PRESIDENT:


The Committees on Civil Service, Government Reorganization and Professional Regulation; and on Finance to which was referred Senate Bill No. 286, introduced by Senator Antonio "Sonny" F. Trillanes IV and Senator Cynthia A. Villar, entitled:

"AN ACT PROVIDING FOR A COST OF LIVING ALLOWANCE (COLA) FOR ALL OFFICIALS AND EMPLOYEES IN THE GOVERNMENT SECTOR AND FOR OTHER RELATED PURPOSES"


have considered the same and have the honor to report it back to the Senate with the recommendation that Senate Bill No. 286 be approved with an amendment that on page 1, line 16, before the word "uniformed" delete the phrase "military and" and in lieu thereof, insert the phrase "MEMBERS OF THE ARMED FORCES OF THE PHILIPPINES (AFP), THE PHILIPPINE NATIONAL POLICE (PNP), AND OTHER".

RESPECTFULLY SUBMITTED:

Chairpersons

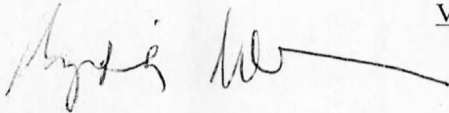


LOREN LEGARDA
Committee on Finance
Member, Committee on Civil Service,
Government Reorganization and Professional
Regulation




ANTONIO "SONNY" F. TRILLANES IV
Committee on Civil Service, Government
Reorganization and Professional Regulation
Member, Committee on Finance

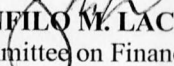
Vice- Chairpersons



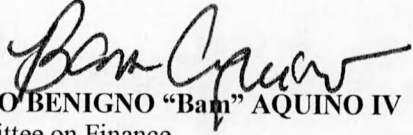
CYNTHIA A. VILLAR
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Member, Committee on Civil Service,
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FRANCIS G. ESCUDERO
Committee on Civil Service, Government
Reorganization and Professional Regulation
Member, Committee on Finance



PANFILO M. LACSON
Committee on Finance

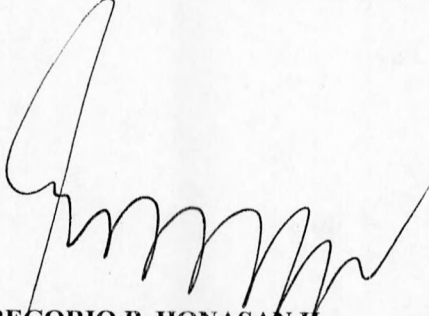


PAOLO BENIGNO "Bam" AQUINO IV
Committee on Finance

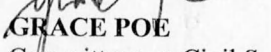


SONNY ANGARA
Committee on Finance

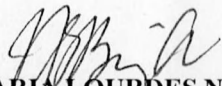
Members



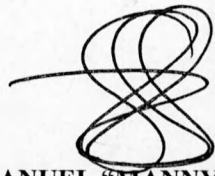
GREGORIO B. HONASAN II
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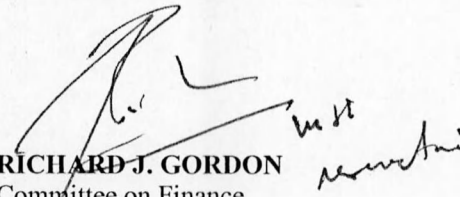
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Committees on Civil Service, Government
Reorganization and Professional Regulation; and
on Finance



MARIA LOURDES NANCY S. BINAY
Committee on Finance



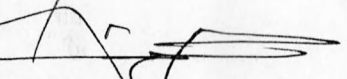
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RICHARD J. GORDON
Committee on Finance



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Committee on Finance



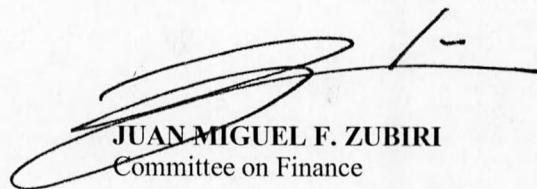
FRANCIS N. BANGILINAN
Committee on Finance



RISA HONTIVEROS
Committee on Finance



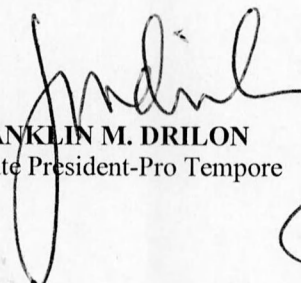
WIN GATCHALIAN
Committee on Finance



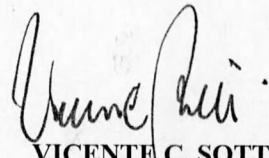
JUAN MIGUEL F. ZUBIRI
Committee on Finance

JOEL VILLANUEVA
Committee on Finance

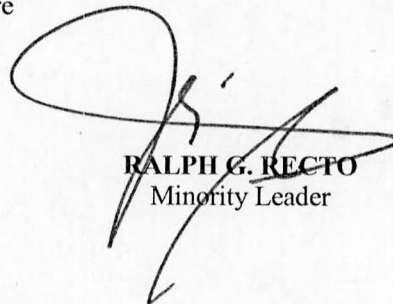
Ex-Officio Members:



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Senate President-Pro Tempore



VICENTE C. SOTTO III
Majority Leader



RALPH G. RECTO
Minority Leader

HON. AQUILINO 'KOKO' PIMENTEL III
President
Senate of the Philippines

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



SENATE
S. No. 286

Introduced by Senator Antonio "Sonny" F. Trillanes IV

AN ACT
PROVIDING FOR A COST OF LIVING ALLOWANCE (COLA) FOR ALL
OFFICIALS AND EMPLOYEES IN THE GOVERNMENT SECTOR AND
FOR OTHER RELATED PURPOSES

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

1 **SECTION 1. Declaration of Policy.** – It is hereby declared to be the policy of
2 the State to promote, nurture and protect the interest of the workers in the public
3 sector for them to endure the economic challenges brought about by the undeniable
4 upsurge in the cost of living by providing just and reasonable compensation to every
5 worker in the government workforce that corresponds to their share of effort to
6 achieve and sustain productivity in the agencies they serve, thus, allowing them to
7 have decent personal and/or family life and to be able to meet the basic needs of their
8 families for shelter, daily sustenance, education and medical attendance.
9

10 **SEC. 2. Coverage.** – All civilian government officials and employees whether
11 employed by the national or local government units, appointive or elective, career or
12 non-career, including those employed under Government Owned and Controlled
13 Corporations (GOCCs) and other Government Financial Institutions (GFIs), whose
14 positions are covered by Republic Act No. 6758, otherwise known as the
15 "Compensation and Position Classification Act of 1989" as amended, as well as all
16 military and uniformed personnel of the government, shall be covered by this Act.
17

18 **SEC. 3. Cost of Living Allowance (COLA) for Government Officials and**
19 **Employees.** – In order to alleviate the impact of the ever-increasing cost of basic
20 necessities on government workers, there is hereby granted a special economic
21 assistance for all covered government officials and employees to be known as the
22 Cost of Living Allowance (COLA) for government workers in the amount of Five
23 Thousand Pesos (P5,000.00), to be implemented across-the-board, on top of the
24 existing Personnel Economic Relief Allowance (PERA) previously granted for the
25 same purpose.
26

27 **SEC. 4. Funding.** – To effectively carry-out the grant of the COLA provided
28 herein for the officials and employees of the national government agencies, the
29 amount necessary for this purpose shall be charged against the annual General

1 Appropriations Act (GAA), particularly the Miscellaneous Personal Benefit Fund
2 (MPBF) or any savings realized by the Government from the current GAA.
3

4 In the case of government-owned and controlled corporations and financial
5 institutions, the necessary amount shall be sourced fully from their respective
6 corporate funds, and in the case of local government units (LGUs), from their
7 respective local funds or the LGU's share in their Internal Revenue Allotments (IRA).

8 **SEC. 5. Tax Exemption on COLA.** – No tax of any kind shall be levied on the
9 Cost of Living Allowance (COLA) herein granted to government officials and
10 employees as well as military and uniformed personnel of the government.
11

12 **SEC. 6. Implementing Rules and Regulations.** – Within a period of thirty
13 (30) days from the enactment of this Act, the Department of Budget and Management
14 (DBM), in consultation with the Civil Service Commission (CSC), the Department of
15 National Defense (DND) and the Department of Interior and Local Government
16 (DILG) and the Governance Commission on Government Owned And Controlled
17 Corporations (GCG) and other affected agencies, shall issue the Implementing Rules
18 and Regulations for the immediate implementation of this Act.
19

20 **SEC. 7. Effectivity.** – This Act shall take effect fifteen (15) days after its
21 publication in the Official Gazette or in any two (2) newspapers of general circulation.

Approved,