

SENATE

'19 JUL -8 P3:44

S. No. 301

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Introduced by **SENATOR RAMON BONG REVILLA, JR.**

**AN ACT
AMENDING SECTION 12-B OF REPUBLIC ACT NO. 8282 ENTITLED "AN ACT
FURTHER STRENGTHENING THE SOCIAL SECURITY SYSTEM THEREBY
AMENDING FOR THIS PURPOSE, REPUBLIC ACT NO. 1161, AS AMENDED,
OTHERWISE KNOWN AS THE SOCIAL SECURITY LAW"**

EXPLANATORY NOTE

Republic Act No. 8282 , the law which further strengthen the Social Security Law of the country, recognizes the policy of the State "to establish, develop, promote and perfect a sound and viable tax-exempt social security system suitable to the needs of the people throughout the Philippines which shall promote social justice and provide meaningful protection to members and their families against the hazards of disability, sickness, maternity, old age, death and other contingencies resulting in loss of income or financial burden". As of September 2016, there are more than 34.5 million registered SSS members with more than 1.1 million retirees receiving their pensions.¹

This Bill recognizing the current statistics, proposes to lower the required age of Social Security Service (SSS) members for them to start receiving their retirement benefits early. For a member who is unemployed yet has paid at least one hundred twenty (120) monthly contributions prior to the semester of retirement, required age is lowered from sixty (60) years old to fifty-five (55). On the other hand, a member, whether employed or not, who has reached the age of sixty-five (65) years, required age is lowered from sixty-five (65) to sixty (60) years old.

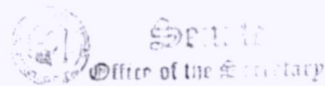
¹ <https://news.abs-cbn.com/focus/01/12/17/social-security-system-quick-facts>

This measure will enable the retirees to reap the benefits of their retirement and pension while still at an age of high productivity. This will also allow them to pursue any endeavor they may have set aside in the past, be it entrepreneurial or the fulfillment of a dream. The lowering of the age requirement gives them ample time to pursue these things with a reasonable chance of success by giving them a few more years in their prime. Time may not be on their side, but the State can be.

It is for the reasons stated above that the passage of this bill into law is earnestly sought.



RAMON BONG REVILLA, JR.



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

1 Section 1. *Short Title.* – Section 12-B of Republic Act No. 8282, otherwise
2 known as the Social Security Act of 1997, is hereby amended to read as follows:

3
4 **SEC. 12-B. Retirement Benefits.** – (a) A member who has paid at
5 least one hundred twenty (120) monthly contributions prior to the semester
6 of retirement and who: (1) has reached the age of [sixty (60)] **FIFTY-FIVE**
7 **(55)** years and is already separated from employment or has ceased to be
8 self-employed; or (2) has reached the age of [sixty-five (65)] **SIXTY (60)**
9 years, shall be entitled for as long as he lives to the monthly pension:
10 Provided, that he shall have the option to receive his first eighteen (18)
11 monthly pensions in lump sum discounted at a preferential rate of interest to
12 be determined by the Social Security Service (SSS).

13
14 (b) A covered member who is [sixty (60)] **FIFTY-FIVE (55)** years old at
15 retirement and who does not qualify for pension benefits under paragraph (a)
16 above, shall be entitled to a lump sum benefit equal to the total contributions
17 paid by him and on his behalf: Provided, that he is separated from

1 employment and is not continuing payment of contributions to the SSS on his
2 own.

3
4 (c) The monthly pension shall be suspended upon the re-employment or
5 resumption of self-employment of a retired member who is less than [sixty-
6 five (65)] **SIXTY (60)** years old. He shall again be subject to Section
7 Eighteen (18) and Section Nineteen (19) of this Act.

8
9 (d) Upon the death of the retired member, his primary beneficiaries as of the
10 date of his retirement shall be entitled to receive the monthly pension:
11 Provided, that if he has no primary beneficiaries and he dies within sixty (60)
12 months from the start of his monthly pension, his secondary beneficiaries
13 shall be entitled to a lump sum benefit equivalent to the total monthly
14 pensions corresponding to the balance of the five-year guaranteed period,
15 excluding the dependents' pension.

16
17 (e) The monthly pension of a member who retires after reaching age [sixty
18 (60)] **FIFTY-FIVE (55)** shall be the higher of either; (1) the monthly pension
19 computed at the earliest time he could have retired had he been separated
20 from employment or ceased to be self-employed plus all adjustments thereto;
21 or (2) the monthly pension computed at the time when he actually retires.

22
23 *Sec. 2. Separability Clause.* – If any provision or part hereof, is held invalid or
24 unconstitutional, the remainder of the law or the provision not otherwise affected
25 shall remain valid and subsisting.

26
27 *Sec. 3. Repealing Clause.* – All laws, presidential decrees or issuances,
28 executive orders, letters of instruction, administrative orders or rules and
29 regulations, which may be inconsistent with this Act shall be deemed repealed,
30 amended or modified accordingly.

1 Sec. 4. *Effectivity Clause.* – This Act shall take effect fifteen (15) days
2 following its publication in two (2) newspapers of general circulation.

3

4 Approved,