## EIGHTEENTH CONGRESS OF THE REPUBLIC OF THE PHILIPPINES

Third Regular Session

SENATE S. No. **2322** 



Introduced by Senator Aquilino "Koko" Pimentel III

#### **AN ACT**

PROVIDING FOR THE ADMINISTRATIVE REFORM AND REORGANIZATION OF THE PHILIPPINE COAST GUARD, REVISING FOR THE PURPOSE REPUBLIC ACT NO. 9993, OTHERWISE KNOWN AS THE "PHILIPPINE COAST GUARD LAW OF 2009"

#### **EXPLANATORY NOTE**

The Philippine Coast Guard (PCG) was first established in 1967 through the issuance of Republic Act (RA) No. 51731, which placed it under the Philippine Navy.

The PCG was transferred in 1998 to then Department of Communications and Transportation as an attached agency through the issuance of Executive Order (EO) No. 475<sup>2</sup> and EO No. 477<sup>3</sup>. These two executive orders embodied not just the transfer but the organization, administration and welfare of the personnel as well. These changes were supposed to be institutionalized in RA No. 9993<sup>4</sup>, which was promulgated in 2010, to reflect the intent and substance of the executive orders.

Unfortunately, more than a decade after its effectivity, several gaps were found in the personnel, administration and organization areas, which negatively impacted the agency, especially the pension of its personnel.

In 2019, the PCG was able to secure an opinion from the Department of Justice (DOJ) that the personnel benefits that the Department of Budget and Management (DBM) claims to no longer be available to the PCG are still rightfully due to the Coast Guard uniformed personnel. DOJ opined that RA No. 9993 should not be read on its own but in light of other issuances, such as the

<sup>&</sup>lt;sup>1</sup> An Act Creating a Philippine Coast Guard, Prescribing its Powers and Functions, Appropriating the Necessary Funds Therefor, and For Other Purposes. Approved: August 4, 1967.

<sup>&</sup>lt;sup>2</sup> Transferring the Philippine Coast Guard from the Department Of National Defense to the Office of the President and For Other Purposes. Signed: March 30, 1998.

<sup>&</sup>lt;sup>3</sup> Transferring the Philippine Coast Guard to the Department of Transportation and Communications. Signed: April 15, 1998.

<sup>&</sup>lt;sup>4</sup> An Act Establishing the Philippine Coast Guard as an Armed and Uniformed Service Attached to the Department Of Transportation and Communications, Thereby Repealing Republic Act No. 5173, as Amended, and For Other Purposes. Approved: Feb 12, 2010.

executive orders that transferred the PCG, EO No. 475 and EO No. 477, where it was clearly provided in Section 6 of both executive orders that PCG uniformed personnel shall continue to be covered by PD No. 1638, as amended. Further, DOJ mentioned that in Section 14 of RA No. 9993, PCG uniformed personnel shall continue to receive salaries and other benefits as that enjoyed by their counterparts in the AFP until a personnel benefits law specific to PCG is enacted.

A reading of RA No. 9993 shows that the law is silent on the matter, and the provisions on administration and organization are indeed too vague. For these reasons, a comprehensive revision of RA No. 9993 is necessary to resolve the issues involved and to have an administrative and organizational reform in the agency.

This measure seeks to revise RA No. 9993 to enable the PCG to better accomplish its mandate and to best serve the Filipino people, considering the sensitivity and relevance of the maritime jurisdiction of the Philippines coupled with the challenges that the Government is facing regionally and internationally relating to the application of the United Nations Law of the Sea Convention.

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

AQUILINO "KOKO" PIMENTEL III

## EIGHTEENTH CONGRESS OF THE REPUBLIC OF THE PHILIPPINES

Third Regular Session

1

2

4

5

6

7

8

9 10

11 12

13

14

15

16

17

18

19

20

21

S E N A T E S. No. 2322

)

)

)



### Introduced by Senator Aquilino "Koko" Pimentel III

### AN ACT PROVIDING FOR THE ADMINISTRATIVE REFORM AND REORGANIZATION OF THE PHILIPPINE COAST GUARD, REVISING FOR THE PURPOSE REPUBLIC ACT NO. 9993, OTHERWISE KNOWN AS THE "PHILIPPINE COAST GUARD LAW OF 2009"

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 "Revised Philippine Coast Guard Law."

SEC. 2. Philippine Coast Guard. - The Philippine Coast Guard (PCG), established under Republic Act No. 9993 as an armed and uniformed service attached to the Department of Transportation (DOTr) shall continue as such upon the effectivity of this Act: Provided, That in times of war, as declared by Congress, the PCG or parts

thereof, shall be attached to the Department of National Defense (DND).

**SEC. 3. Powers and Functions.** - The PCG shall have the following powers and functions:

- a) To enforce regulations in accordance with all relevant maritime international conventions, treaties or instruments and national laws for the promotion of safety of life and property at sea within the maritime jurisdiction of the Philippines and conduct port state control implementation;
- b) To conduct inspections on all merchant ships and vessels, including, but shall not be limited to, inspections prior to departure, to ensure and enforce compliance with safety

standards, rules and regulations;

- c) To detain, stop or prevent a ship or vessel which does not comply with safety standards, rules and regulations from sailing or leaving port;
- d) To conduct emergency readiness evaluation on merchant marine vessels;
- e) Subject to the approval of the Secretary of the DOTr (Transportation), to issue and enforce rules and regulations for the promotion of safety of life and property at sea on all maritime-related activities;
- f) To coordinate, develop, establish, maintain and operate aids to navigation, vessel traffic system, maritime communications and search and rescue facilities within the maritime jurisdiction of the Philippines;
- g) To remove, destroy or tow to port, sunken or floating hazards to navigation, including illegal fish traps and vessels, at or close to sea lanes which may cause hazards to the marine environment;
- h) To issue permits for the salvage of vessels and to supervise all marine salvage operations, as well as prescribe and enforce rules and regulations governing the same;
- i) To render aid to persons and vessels in distress and conduct search rescue in marine accidents within the maritime jurisdiction of the Philippines, including the high seas, in accordance with applicable international conventions. In the performance of this function, the PCG may enlist the services of other government agencies and the merchant marine fleet;
- j) To investigate and inquire into the causes of all maritime accidents involving death, casualties and damage to properties;
- k) To assist in and implement the enforcement and maintenance of maritime security, prevention or suppression of terrorism at sea, and performance of law enforcement functions in accordance with pertinent laws, rules and regulations;
- 1) To assist in the enforcement of laws on fisheries, immigration, tariff and customs, forestry, firearms and explosives, human trafficking, dangerous drugs and controlled chemicals, transnational crimes and other applicable laws within the maritime jurisdiction of the Philippines;
- m) To board and inspect all types of merchant ships and watercrafts in the performance of this functions;
- n) To enforce laws and promulgate and administer rules and regulations for the protection of marine environment and resources from offshore sources of pollution within the maritime

jurisdiction of the Philippines;

Δ

Я

- o) To develop oil spill response, containment and recovery capabilities against ship-based pollution;
- p) To grant, within its capabilities and consistent with its mandate, requests for assistance of other government agencies in the performance of their functions;
- q) To organize, train and supervise the PCG Auxiliary (PCGA) for the purpose of assisting the PCG in carrying out its mandated functions;
- r) To perform such other functions that may be necessary in the attainment of the objectives of this Act; and
- s) To enhance its capability during emergencies, the PCG may recommend to the President to issue rules and regulations pertaining to assistance and support of the Philippine Navy in the exercise of its functions.

SEC. 4. The PCG Commandant. – The PCG shall be headed by a Commandant who shall have the rank of Admiral which shall be equivalent to the rank and pay rate of the Chief of Staff of the Armed Forces of the Philippines and the Chief of the Philippine National Police: Provided, That he shall be appointed by the President from among the Flag Officers in the Coast Guard service. He shall hold a command-at-sea badge and must have served as District Commander and Functional Service Commander. The Commandant shall have a maximum term of (3) three years or upon reaching the age of fifty-six (56) years old whichever comes earlier. However, if the maximum term is reached before reaching the age of 56, the Commandant shall be compulsorily retired at term's end with all the benefits appertaining thereto.

# SEC. 5. Powers and Functions of the Commandant. - The Commandant shall exercise the following powers and functions:

- a) Under the authority and direction of the President, shall be responsible for the elaboration and execution of national maritime laws relating to the functions of the PCG;
- b) Direct and control strategic as well as tactical movements, deployment, placement, utilization of the PCG or any of its units and personnel, including its equipment, facilities and other resources: Provided, that the Commandant may delegate this power to subordinate officials with respect to the units under the latter's command, subject to the guidelines as the Commandant may prescribe in accordance with existing laws, rules and

regulations;

- c) Prescribe, in accordance to existing laws, the organization or reorganization, powers, functions and duties of the various staff, services, installation and other units of the PCG;
- d) Issue policies and instructions regarding personnel, funds, properties, records, correspondence and such other matters as may be necessary to effectively carry out the functions, powers and duties of the PCG, in accordance with existing laws, rules and regulations;
- e) Appoint, enlist and call to active duty any draftee, non-commissioned officers, and call to active duty members of the officers' corps;
- f) Approve the recommendation of the different promotion and/or assignment boards and ensure observance of merit and fitness in the process of promotion and assignment;
- g) Exercise disciplinary authority over all uniformed personnel and civilian employees of the PCG; and
- h) Perform any task or directive issued by the President.

Such command and direction of the Commandant may be delegated to subordinate officials with respect to the units under their respective commands, in accordance with the rules and regulation prescribed under existing laws.

SEC. 6. Organization. – The PCG organizational structure shall be headed by a Commandant with the rank of Admiral, assisted by the Deputy Commandant for Operation and Deputy Commandant for Administration both with the rank of Vice Admiral. It is divided into three functional service commands, namely, maritime safety, marine environmental protection and maritime security. Other service commands, major and support units, are categorized as administrative support, operating commands, operational support, technical services and special service commands. They include the following:

- a) Administrative support commands Education and Training, Internal Affairs, Surface Support Force, Human Resource Management Service and Logistics and Finance;
- b) The operational support commands Weapons, Communications, Electronics, Information System Service, Special Operations Force, Aviation Force, and Canine Enforcement Force;
- c) The technical services the Judge Advocate General's Service Command, Medical Service, Ecumenical Service, Dental Service,

Veterinary Service, Medical Administrative Corps, Nurse Corps, and other technical services that may or hereinafter be created as needed;

- d) Operating commands are the fifteen (15) districts located nationwide covering specific areas of responsibilities composed of stations which in turn have field offices called sub-stations down to detachments or posts. These coast guard districts are: National Capital Region-Central Luzon (CGD NCR-CL), Central Visayas (CGD CV), Southwestern Mindanao (CGD SWM), Southeastern Mindanao (CGD SEM), Palawan (CGD PAL), Western Visayas (CGD WV), Southern Tagalog (CGD STL), Northern Mindanao (CGD NM), Bicol (CGD BCL), Northwestern Luzon (CGD NWL), Eastern Visayas (CGD EV), Northeastern Luzon (CGD EL), Southern Visayas (CGD SV), Southern Mindanao (CGD SM), Northeastern Mindanao (CGD NEM); and
- e) The Special Services are the Legislative Liaison Affairs, Community Relations Service, Finance Service, Internal Audit, Center for Strategic Studies and Accounting Service.

The foregoing is the basic structure of the PCG, although the Commandant may, in the interest of public service, create units and/or reorganize the units under the PCG that shall be forwarded to the Secretary of Transportation for adoption and submission to the Organization, Position Classification and Compensation Bureau (OPCCB) of the Department of Budget and Management (DBM); Provided, That the minimum manning level of the PCG shall be computed based on the total coastline of the Philippines with two (2) uniformed personnel per one (1) kilometer of coastline. Provided Further, That the functional commands, administrative support units, operational support units, operating units, technical services, and special services shall possess the authority and responsibilities and perform all duties and functions of the PCG within their individual area of responsibility including but not limited to discipline, finance and procurement. Provided, Finally, That the ranks of all uniformed personnel in the PCG whether officer or enlisted personnel shall be the same and equal as that used and observed in the AFP and PNP including in the pay grade/rate and benefits.

**SEC.** 7. – **Personnel.** – The PCG shall consist of the following categories of personnel:

a) Officer - refers to uniformed member of the PCG who is commissioned as officer by the President and belongs to the

officers' corps;

1

2

3

4

5

6

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22 23

24

25

38

39

40 41

42

- b) Enlisted personnel general term for uniformed member of the PCG with ranks below commissioned officers and performs jobs specific to their occupational specialty. There are three categories of enlisted personnel, namely, strikers for those in grades E-1 to E-3, junior non-commissioned officers for those in grades E-4 to E6 and senior non-commissioned officers for ranks with equivalent grades of E-7 to E-10;
- c) Civilian employee refers to the non-uniformed members of the PCG who are appointed and employed under the Civil Service laws, rules and regulations:
- d) Probationary Ensign refers to a person who is called to active duty but awaiting commissionship into the PCG or awaiting training;
- e) Draftee refers to a person who has completed basic training and is awaiting enlistment into the PCG active service;
- f) Cadet refers to a person who is enrolled in service academies under the sponsorship of the PCG;
- g) Candidate refers to a person who is undergoing basic training for commissionship; and
- h) Trainee refers to a person who is undergoing training to qualify as member of the enlisted personnel's corps of the PCG.

SEC. 8. Rank Classification. - The ranks/grades of PCG Officers shall be as follows:

26			
27	RANK	CRONYM	PAY GRADE
28	Admiral	ADM	O-10
29	Vice Admiral	VADM	O-9
30	Rear Admiral	RADM	O-8
31	Commodore	COMMO	O-7
32	Captain	CAPT	O-6
33	Commander	CDR	O-5
34	Lieutenant Commander	LCDR	O-4
35	Lieutenant Senior Grad	e LTSG	O-3
36	Lieutenant Junior Grade	e LTJG	O-2
37	Ensign	ENS	O-1

SEC. 9. Technical Officers. - Following are the professionals that may join the PCG service as technical officers:

a) Lawyers

1	b) Doctors
2	c) Priests, Pastors, Imam, and other certified clerics
3	d) Dentists
4	e) Nurses
5	f) Clinical Psychologists
6	g) Physical Therapists
7	h) Chemists
8	i) Medical Technologists
0	<b>C</b>

Other professions not listed may be included as part of the PCG Technical Services should the need for them arise.

SEC. 10. Officer Rank Distribution. - The officer rank distribution of the PCG shall be as follows: two per centum (2%) in the Flag Officer rank; six per centum (6%) in the rank of Coast Guard Captain; twelve per centum (12%) in the rank of Coast Guard Commander; eighteen per centum (18%) in the rank of Coast Guard Lieutenant Commander; Twenty per centum (20%) in the rank of Coast Guard Lieutenant Senior Grade; and forty-two per centum (42%) in the ranks of Coast Guard Lieutenant Junior Grade and Coast Guard Ensign; Provided, That such distribution is based on the ratio between officer and enlisted personnel which is one (1) officer to every seven (7) enlisted personnel: Provided, finally, That if the actual number in a rank is less than the number prescribed in a lower rank, the difference may be applied as an increase to the number prescribed in the lower rank.

SEC. 11. Distribution of Flag Officers. — Other than the Commandant who occupies the rank of Admiral, the total number of flag ranks shall not exceed two percent (2%) of the total population of officers distributed observing the pyramidal structure as hereunder prescribed:

Vice Admiral 0.15%
Rear Admiral 0.35%
Commodore 1.50%

Total 2.00%

Provided, That if the actual number in a rank, except in the case of Admiral and Vice Admiral, is less than the number herein prescribed, the difference may be applied as an increase to the number prescribed in the lower rank: Provided, finally, That no officer shall be promoted to

the rank of Coast Guard Commodore or higher unless there is an existing vacancy, and the officer is occupying a position in the table of organization that requires the rank of which he is being considered for promotion.

**SEC. 12. Maximum Tenure in Rank**. – The maximum tenure of officers in the ranks of Captain and Flag Officers in the PCG are hereby prescribed as follows:

10	Rank	Maximum Tenure in Rank
11	Admiral	three (3) years
12	Vice Admiral	three (3) years
13	Rear Admiral	three (3) years
14	Commodore	five (5) years
15	Captain	ten (10) years

Unless earlier separated, retired, or promoted to the next higher rank or occupying a position calling for the higher rank in the PCG Table of Organization, Captains and Flag Officers shall be compulsorily retired upon the attainment of the maximum tenure in rank herein prescribed, or upon reaching the age of compulsory retirement whichever comes earlier: Provided, That Captains or flag officers who have not reached the age of retirement shall be retired due to attrition if they have at least twenty (20) years in service; otherwise, it shall be separation from service.

**SEC. 13. Maximum Tenure in Position.** - Officers holding the following key positions are hereby limited to a maximum tenure of three (3) years, unless otherwise earlier relieved by competent authority or compulsorily retired under existing laws:

- a) Commandant
- b)Deputy Commandant
- c) Functional Service Commander

Provided, That except for the Commandant, no other officer shall be assigned/designated to the aforementioned key positions or promoted to the rank of Commodore or higher if they have less than one (1) year of active service remaining prior to compulsory retirement.

SEC. 14. Ranks and Grades of Enlisted Personnel. The ranks/grades of PCG enlisted personnel shall be as follows:

1			
2	RANK	ACRONYM	PAY GRADE
3	First Master Chief Petty Officer	FMCPO	E-10
4	Master Chief Petty Officer	MCPO	E-9
5	Senior Chief Petty Officer	SCPO	E-8
6	Chief Petty Officer	CPO	E-7
7	Petty Officer First Class	PO1	E-6
8	Petty Officer Second Class	PO2	E-5
9	Petty Officer Third Class	PO3	E-4
10	Seaman/Seawoman First Class.	SN1/SW1	E-3
11	Seaman/Seawoman Second Class	s SN2/SW2	E-2
12	Apprentice Seaman/Seawoman	ASN/ASW	E-1

SEC. 15. Maximum Tenure in Rank for Enlisted Personnel. – The maximum tenure of senior enlisted personnel in the ranks of Chief Petty Officer to First Master Chief Petty Officer in the PCG are as follows:

Rank	Maximum
Tenure in Rank	
First Master Chief Petty Officer	Three (3) years
Master Chief Petty Officer	Three (3) years
Senior Chief Petty Officer	Five (5) years
Chief Petty Officer	Eight (8) years

Any personnel holding lower ranks than the above who stays in a rank for ten (10) years without being promoted to the next higher rank shall be evaluated by the Re-enlistment Fitness Board who shall verify suitability to continue in service and submit a recommendation for the approval of the Commandant: Provided, That the original enlistment term in the PCG shall be three (3) years, and subsequent re-enlistment shall be for the term of six (6) years, with the application for re-enlistment to be reviewed by the Re-enlistment Fitness Board for recommendation to the Commandant for approval: Provided, further, That the uniform allowance shall be payable every three (3) years after complying with the physical fitness test.

SEC. 16. Civilian Employees. – There shall be civilian positions within every office of the PCG. The head of the civilian employees in the PCG shall occupy a rank of Director III. The civilian employees shall establish their own plantilla positions to complement the strength of the PCG uniformed personnel.

SEC. 17. Organization of a PCG Auxiliary (PCGA). – The PCG shall continue to maintain, supervise, develop and train the PCGA as a civilian volunteer organization under the direct control and supervision of the PCG Commandant. The PCGA shall assist the PCG in the promotion of safety of life and property at sea, the preservation of the marine environment and its resources, the conduct of maritime search and rescue, the maintenance of aids to navigation and such other activities that enhance maritime community relations which include civic action, participation under the National Service Training Program, youth development, recreational safety and other related activities.

**SEC. 18. Appointments.** – Appointments of PCG officers, which shall be in the initial rank of Coast Guard Ensign, shall be commissioned as such by the President upon the recommendation of the PCG Commandant.

The initial entry ranks for technical officers like lawyers, medical doctors and ecumenical clerics shall be in the rank of Lieutenant Senior Grade, dentists and veterinarians shall be Lieutenant Junior Grade, while nurses and chemists shall be commissioned in the rank of Ensign. Appointment of other licensed professionals that may be required later shall be based on the ranking of licensure and courses issued by competent authority.

The appointment of the PCG Commandant and Flag Officers shall be approved by the President upon the recommendation of the Secretary of Transportation. Appointments of all PCG enlisted personnel shall be made by the PCG Commandant. Appointments as well as the promotion of all non-uniformed PCG personnel shall be in accordance with the Civil Service Commission (CSC) laws, rules and regulations.

**SEC. 19. Basic Qualification for Uniformed Personnel.** – To qualify as officer or enlisted personnel of the PCG, applicant shall possess the following at the time of application:

- a) A natural born citizen of the Philippines;
- b) A person of good moral conduct;
- c) Must have passed the psychiatric/psychological, drug and physical tests to be administered by the PCG Medical Service or by any PCG accredited government hospital

for the purpose of determining physical and mental health:

- d) Must possess a formal baccalaureate degree with appropriate license when applicable or professional civil service eligibility for appointment as officer and must have finished at least seventy-two (72) non-repetitive units of college education or senior high school graduate with six (6) months TESDA skills course related to the functions of PCG for appointment as enlisted personnel upon effectivity of this act; and
- e) Must not have been dishonorably discharged from military employment or dismissed for cause from any civilian position in the government.

SEC. 20. Lateral Entry. – Active members of other uniformed services under the Armed Forces of the Philippines (AFP), Philippine National Police (PNP), Bureau of Fire Protection (BFP) and Bureau of Jail Management and Penology (BJMP) may join the PCG through lateral entry. The rank for officers eligible for such entry must not be higher than Lieutenant Commander and Petty Officer Second Class for enlisted personnel. Notwithstanding the corps they wish to join, all entrants shall only be accepted if, on or before time of entry, they: a) are not under investigation, b) are not on absence without leave (AWOL) status, c) are not serving sentence, whether administrative or criminal, d) have not been issued reprimand in the last two (2) years, or e) have not received an unfavorable rating in the latest performance rating.

However, if an entrant possesses specific skills that may not be readily developed in new recruits, lateral entry may be allowed for ranks higher than those mentioned above: Provided, That the new entrant can serve at least ten (10) years in PCG active service prior to reaching the mandatory retirement age.

SEC. 21. Promotions of Officers and Enlisted Personnel. – The promotion of PCG officers and enlisted personnel shall be based on merit and fitness in accordance with the following procedures:

a) Officers shall only be promoted after undergoing deliberation before promotion boards: Provided, That promotion boards shall submit the results of their deliberation to the Commandant for approval and corresponding endorsement to the Secretary of

Transportation for transmittal to the President for approval; and

b)There shall also be appropriate promotion boards for enlisted personnel whose recommendation shall be submitted to the Commandant for approval.

Provided, further, That at the time of promotion, the officer or enlisted personnel concerned shall possess all the qualifications and none of the disqualifications provided under pertinent laws, rules and regulations, specifically on the completion of the required career course, training, examination and minimum time-in-grade as applicable for specific ranks.

SEC. 22. Salaries and Other Benefits. – The uniformed personnel of the PCG shall receive the same base pay, longevity pay, hazard pay and other benefits and allowances as are now or hereafter may be authorized for corresponding salary grades and ranks in the AFP until such time that a new law is enacted for the purpose. The salaries and allowances of the non-uniformed employees of the PCG shall be in accordance with Civil Service laws, rules and regulations.

SEC. 23. Longevity Pay and Allowances. - Uniformed personnel of the PCG shall be entitled to a longevity pay of ten percent (10%) of their basic monthly salaries for every five (5) years of continuous active service, which shall be reckoned from the date of actual service in the PCG: Provided, That the totality of such longevity pay shall not exceed fifty percent (50%) of the basic pay. They shall also continue to enjoy the subsistence allowance, quarters allowance, clothing allowance, cost of living allowance, hazard pay, and other allowances but not limited to sea duty pay, flying pay, lawyers incentive pay, occupational specialty pay, magna carta for medical workers, specialization pay, instructors duty pay, combat pay for officers and enlisted personnel of the PCG performing combat duties/activities or engaged in actual performance of functions as defined in regulations to be issued by the Commandant and all other applicable allowances as provided by existing laws: Provided, further, That there shall be collateral allowances for specific duties actually performed for which the PCG shall also issue specific policy for approval of the President.

SEC. 24. Gender Sensitivity Program. – Gender concerns should be addressed in all planning activities, setting of priorities, allocating of resources and identifying actions and activities of the PCG. It should also

incorporate a gender sensitive perspective in the implementation of such plans and programs.

Gender sensitivity shall also be mainstreamed in all its internal policies, strategies, budget, projects, structures and mechanisms, including but not limited to hiring, promotions, assignment, training opportunities, pay and benefits. A gender perspective should likewise be integrated in all its training programs, especially for maritime search and rescue.

SEC. 25. Disciplinary System. The PCG shall adopt the Military Justice System which shall be applicable to all its uniformed personnel. Civilian employees shall be covered under the disciplinary rules of the Civil Service. The Commandant shall be assisted by the Coast Guard Internal Affairs in enforcing discipline and order within its ranks though for disciplinary issues depending on gravity, unit commanders shall exercise disciplinary powers over personnel under their command. The PCG shall within six (6) months from the effectivity of this Act, issue policies, rules and procedures applying military justice system based on the provisions of Commonwealth Act No. 408, amended by RA No. 516, RA No. 242, PD No. 1968 and PD No.1166: Provided, That for civilian employees, the PCG shall issue rules and procedures implementing Book VII of EO No. 292 or the Administrative Code of 1987 and the Civil Service laws."

**SEC. 26. Disciplinary Authority.** The Commandant exercises disciplinary authority at any time over all personnel of the PCG. The authority to discipline shall also be exercised by unit commanders and Commanding Officers including Station Commanders, Sub-Station Commanders, head of Morning Report Carrying Units.

SEC. 27. Jurisdiction. – A complaint or a charge filed against a PCG member shall be heard and decided exclusively by the disciplining authority who has acquired original jurisdiction over the case notwithstanding the existence of concurrent jurisdiction as regards the offense.

SEC. 28. Legal Assistance. – The Secretary of the Department of Justice (Justice), the Secretary of Transportation, or the Commandant of the PCG may authorize lawyers of their respective agencies to provide legal assistance to any member of the PCG charged with an offense or crime resulting from the performance or on occasion of official duty. The

government lawyers so authorized shall have the power to administer oaths. The Secretary of Justice, the Secretary of Transportation, and the Commandant of the PCG shall jointly promulgate rules and regulations to implement the provisions of this section.

SEC. 29. Power to Administer Oaths. – Officers of the PCG in the active service with the grade of O-5 or when designated with appropriate orders as administrative officer of a unit, shall have the power to administer oaths on matters which are connected with the performance of their official duties. Senior non-commissioned officers (grades E-7 to E10) who are designated through appropriate orders, as Chief-Master-At-Arms (CMAA) or unit master chief are also empowered to administer oaths.

SEC. 30. Coast Guard Internal Affairs Service (CGIAS). – To maintain accountability in government service through discipline and efficiency, there shall be an Internal Affairs Service (IAS) in the PCG. The CGIAS shall foster and promote accountability in government service within the PCG and follow the basic principles of integrity, objectivity, independence, confidentiality, professionalism, competence, courage, trust, honesty, fairness, forthrightness, public accountability, and respect for others and themselves. It shall have the power to investigate and inquire into any and all activities of the PCG units and personnel, review processes, procedures and operations to determine if such were conducted effectively and efficiently.

The personnel of the CGIAS, whether officer or enlisted personnel, who are performing actual investigative duties, shall be granted occupational specialty pay which shall not exceed fifty percent (50%) of their basic pay.

SEC. 31. Dismissal of PCG Personnel. – The Commandant, after due notice and summary hearing, may immediately remove or dismiss any respondent PCG personnel and major unit commanders may recommend such in any of the following cases:

a) In cases of drug abuse where subsequent confirmation test confirms the use of prohibited drugs;

b) When the charge is serious and the evidence of guilt is strong;

 c) When the respondent is a recidivist or has been repeatedly charged and there are reasonable grounds to

believe that he is guilty of the charges; and d) When the respondent is guilty of a serious offense involving conduct unbecoming of a PCG personnel.

An officer or enlisted personnel who is continuously absent without approved leave for at least thirty (30) calendar days shall be considered on absence without official leave (AWOL) and shall be separated from the service or dropped from the rolls without prior notice: Provided, That he shall be informed, by registered mail, at his address appearing on his 201 file or its equivalent of his separation from the service not later than five (5) calendar days from the effectivity thereof.

SEC. 32. Separation. – Separation from the Coast Guard service may be done through compulsory retirement, optional retirement upon reaching twenty (20) years in service, disability discharge, expiration of enlistment term, voluntary resignation, attrition, dismissal for cause, or death. The civilian employees are covered under the Civil Service law on the same matter.

SEC. 33. Attrition. – There shall be established a system of attrition within the uniformed members of the PCG within one (1) year from the effectivity of this Act to be submitted by the PCG to the Secretary of Transportation for approval.

SEC. 34. Retirement. – Upon attaining fifty-six (56) years of age or accumulation of thirty (30) years of continuous satisfactory active service, whichever comes later, a PCG uniformed personnel shall be compulsorily retired: Provided, That in case the disparity between attaining the length of service and retirement age mentioned above is more than a year, then tenure in service may be extended for a maximum of four (4) years, but in no case shall the personnel concerned serve beyond sixty (60) years of age.

Any officer or enlisted personnel may choose to retire on their own option upon accumulating at least twenty (20) years in active service.

The retirement and separation of civilian personnel of the PCG shall be governed by the Civil Service law, rules and regulations.

SEC. 35. Retirement Benefits. - Monthly retirement pay of officers and enlisted personnel shall be fifty percent (50%) of base pay and

longevity pay of the next higher grade last held in case of twenty (20) years of active service, increasing by two and one-half percent (2 1/2 %) for every year of service rendered beyond twenty (20) years to a maximum of ninety percent (90%) for thirty-six (36) years of active service and over. However, enlisted personnel who attain the rank of Chief Petty Officer, Senior Chief Petty Officer and of Master Chief Petty Officer shall, upon retirement, be entitled to the retirement pay and benefits of an Ensign: Provided, That a Master Chief Petty Officer, shall receive a gratuity equivalent to that of an Ensign, plus one-half (1/2) of the difference between the gratuity of an Ensign and a Chief Petty Officer, and a Senior Chief Petty Officer shall receive a gratuity equivalent to that of an Ensign, plus one-half (1/2) of the difference between the gratuity of a Master Chief Petty Officer and a Chief Petty Officer. The First Master Chief Petty Officer shall be retired with the rank of Ensign but with the retirement pay and benefits of a Lieutenant Junior Grade (O-2): Provided, further, that the retirement pay of all PCG retirees shall be subject to adjustment on the prevailing scale of base pay of personnel in the active service. For additional matters pertaining to retirement and pension as provided in the foregoing, the retirement system of the AFP shall be under PD No. 1638, as amended, RA No. 8220 and RA No. 9365, until such time as a new retirement system be issued by Government. 

The retirement benefits of civilian personnel shall be governed by Civil Service Law and the Government Service Insurance System (GSIS) Law.

**SEC. 36. Survivors.** – The family of the officer or enlisted personnel who are alive and may claim benefits after such uniformed personnel dies in line of duty or the pensioner dies. The following criteria shall apply:

a) Surviving spouse if married to the deceased prior to the latter's retirement/separation and not legally separated by judicial decree from the deceased issued on grounds not attributable to said spouse: Provided, That entitlement of benefits shall terminate upon the re-marriage of said spouse;

b) Surviving children of an officer or enlisted personnel born of his marriage contracted prior to his retirement/separation from the service, legally adopted, acknowledged or recognized, while the deceased parent was still on active military service: Provided, That

entitlement to benefits shall terminate when such children attain twenty-one (21) years of age or upon marriage; and

c) In default of those mentioned in paragraph (a) and (b), the surviving parent or parents.

The survivor (s) of an officer or enlisted personnel shall be entitled to a monthly life annuity equivalent to seventy-five percent (75%) of his monthly retirement pay which he was receiving to be divided among them in equal shares and with the right of accretion.

As regards question of filiation involving survivorsclaimant, the same shall be submitted first by the claimants to the competent court for resolution before benefits can be given.

SEC. 37. Permanent Physical Disability. — An officer or enlisted personnel who is permanently and totally disabled as a result of injuries suffered or sickness contracted in the performance of duty as duly certified by the PCG shall be entitled to one year's salary and to lifetime pension equivalent to forty percent (40%) of their last salary, in addition to other benefits as provided under existing laws: Provided, That that the extent of the disability or sickness renders such member unfit or unable to further perform the duties of the position held as certified by the appropriate Government hospital like the Philippine General Hospital.

Should such member who has been retired under permanent total disability under this section die, his surviving legal spouse or, if there be none, the surviving dependent legitimate children shall be entitled to the pension for a period of three (3) years from the date of retirement or the remainder thereof as the case may be.

The civilian personnel of the PCG shall be covered by the GSIS law, rules and regulations.

SEC. 38. Death and Disability Benefits. – A uniformed personnel or his/her heirs shall be entitled to all benefits relative to the death or permanent incapacity of said personnel, as provided for under this Act and other existing laws.

a) An officer or enlisted personnel with less than five (5) years of active service who dies in line of duty or on account of any wound, injury or illness contracted in line of duty or incurs permanent total physical disability in

line of duty shall be considered separated from service in the next higher grade and shall be entitled to a separation pay equivalent to one year's salary based on the separation grade.

b) Any cadet or trainee who dies during training or by reason thereof or is permanently and totally disabled as a result of injuries suffered or sickness contracted directly related to training that the extent of the disability or sickness renders such cadet or trainee unfit or unable to continue training shall be considered separated from service and shall be entitled to separation pay equivalent to six (6) month's salary based on pay grade they are entitled.

Any matters pertaining to the rights and benefits for death and/or disability, pertinent existing laws followed by the AFP and/or other existing laws regarding military or uniformed personnel's pension and gratuity shall apply: Provided, That, civilian personnel of the PCG shall be covered by the GSIS law, rules and regulations.

SEC. 39. Old-Age Pension Eligibility. – A retired PCG uniformed personnel who is at least 65 years of age shall be entitled to old-age pension amounting to Five Thousand Pesos (Php5,000.00) monthly increasing by Five Thousand Pesos (Php5,000.00) every five (5) years. This shall be available to any retired PCG uniformed personnel who shall have been honorably discharged or retired after at least twenty (20) years total PCG active service or sooner separated while in the active service in the PCG due to disability arising or incurred in actual operations or performance of duties.

SEC. 40. Exemption from Attachment and Taxes. – All retirement benefits granted by this Act, including benefits received from a duly instituted provident fund and mutual benefit association shall not be subject to attachment, levy, execution or any tax of whatever nature.

SEC. 41. Uniformed Personnel Missing in Action. – Any officer or enlisted personnel who, while in the performance of duty, is officially confirmed missing in action, kidnapped or captured by lawless elements shall, while so absent, be entitled to receive or to have credited to his account in favor of his legal dependents as may be determined, the same pay and allowances to which such officer or enlisted personnel was entitled at the time of his/her disappearance: Provided, That the compulsory retirement of an absentee, in applicable cases, shall be

processed to allow the members of the next of kin to enjoy the retirement benefits: Provided, further, That should the Commandant, upon the recommendation of the proper authority or immediate supervisor, subsequently determine that the officer or enlisted personnel concerned have been absent from duty without authority, such member or his/her heirs shall reimburse the PCG all such amount and allowances that have been received in accordance with this section and the succeeding section.

SEC. 42. Incentives and Awards. – There shall be established an incentives and awards system which shall be administered by a board under such rules, regulations and standards as may be promulgated by the Department: Provided, That equivalent awards shall be given by the Department for every award duly given by respectable civic organizations in a nationwide selection for outstanding achievement and/or performance of any member: Provided, Further, That the civilian employees of the PCG shall follow the Civil Service laws, rules and regulations on incentives and awards.

SEC. 43. Coast Guard Reserve Force. There is hereby created and established a Philippine Coast Guard Reserve Force, the purpose of which is to augment the PCG force in the event of national emergency or catastrophe as declared by appropriate Government entity. The PCG Reservists shall undergo regular training and shall be organized, trained, equip and administered by a PCG Reserve Command under the direction of the Commandant and whose members may be called to active duty in the exigency of the service on aforementioned circumstances duly declared by appropriate authority. The PCG may also participate in the Reserve Officers' Training Course program as an alternative offering focus in maritime safety, marine environmental protection and search and rescue: Provided, That, the PCG shall, within six (6) months from the issuance of this law, draft pertinent policies on the management and particulars of the Coast Guard Reserve Force for the approval and signature of the President.

SEC. 44. Office of the Presidential Adviser on Coast Guard Affairs. - An Office of the Presidential Adviser on Coast Guard Affairs is hereby created under the Office of the President to assist and provide advice to the President on maritime enforcement and security matters, facilitate policy formulation and decision-making in maritime issues.

SEC. 45. Authority to Create Mutual Benefit Association. - The PCG is hereby authorized to create a mutual benefit association where

membership is voluntary to provide life and non-life insurance services for the benefits of its members including its dependents which are vital to the morale and welfare of PCG members and their families. The management, operation, and control of such association shall be under the direct control and supervision of the Commandant. Such mutual benefit association shall be exempt from all kinds of taxes and shall be issued a certificate of exemption. This is without prejudice to the requirement of SEC registration and of other regulatory government agencies.

SEC. 46. Emergency and Medical Assistance. - The PCG shall have an emergency medical assistance fund, sourced from the PCG's Annual Budget Plan as reflected in the General Appropriations Act (GAA) for hospitalization, operation, medication and rehabilitation for personnel arising from injuries suffered on occasion or resulting from the performance of legitimate, official and hazardous operations. Provided, That PCG personnel shall be given thirty percent (30%) discount in hospitals nationwide to include their primary dependents.

SEC. 47. Active Service. – For purposes of this Act, active service of the uniformed personnel shall refer to services rendered as an officer and enlisted personnel, cadet, trainee or draftee in the PCG and services rendered as a civilian official or employee in the Philippine Government prior to the date of separation or retirement from the PCG: Provided, That, for purposes of retirement, the personnel shall have rendered at least ten (10) years of active service as officer or enlisted personnel in the PCG: Provided, Further, That no period of such civilian government service be longer than the active coast guard service shall be credited for purposes of retirement. Service rendered as cadet in any service academy in the Philippines or abroad under sponsorship of the PCG such as the Philippine Merchant Marine Academy, probationary officer, draftee or trainee are credited for retirement purposes.

SEC. 48. PCG Insignia, Decorations and Awards. – The PCG shall have its own insignia and badges to denote rank, specialty and assignment including uniforms, decorations and awards, all of which shall be submitted to the National Historical Institute for registration in the flags and heraldic list: Provided, That there shall be an established awards system which shall be administered by the PCG under such rules and regulations as may be promulgated with the approval of the Secretary of Transportation.

SEC. 49. Special Account. - The PCG shall maintain a special

account under the General Fund, in which receivables from local or foreign entities shall be credited including proceeds or excess of grants, fees or charges, dues, fines and rentals generated in the regular conduct of service: Provided, That PCG shall have the authority to use one hundred percent (100%) of this fund for capability enhancement.

SEC. 50. Collection of Revenues. – The PCG shall collect fees, dues, charges, and fines relevant to the exercise of its various functions: Provided, That the thirty percent (30%) shall be credited to the special account, while the remaining seventy percent (70%) will go to the national fund.

SEC. 51. PCG Properties and Lighthouse Reservations. – The PCG shall continue to exercise exclusive ownership, possession, control and supervision over all properties transferred to it by virtue of EO No. 475 dated 30 March 1998 and EO No. 477 dated 15 April 1998, such as inter alia, vessels, watercrafts, firearms, armaments, munitions, communications and electronic equipment, vehicles, buildings, real estate and lighthouse reservations.

SEC. 52. Establishment and Expansion of Coast Guard Bases and Facilities. – In accordance with other appropriate government agencies, the PCG shall develop and enhance its capabilities in the performance of its mandated functions and establish its strategic presence.

SEC. 53. Implementing Rules and Regulations. – Within one hundred twenty (120) days from the effectivity of this Act, the Philippine Coast Guard, subject to the approval of the Secretary of Transportation, shall promulgate the Implementing Rules and Regulations to carry out the provisions of this Act.

SEC. 54. Appropriations. – The amount necessary to carry out the provisions of this Act is hereby authorized to be appropriated in the General Appropriations Act of the year following its enactment into law and thereafter.

SEC. 55. Transitory Provisions. – The provisions of this Act, as far as the computation of rate is concerned, shall have retroactive effect on the retirement benefits of enlisted personnel whose retirement were affected by the implementation of Republic Act No. 9993, and the discrepancy as a result of applying this Act and Republic Act No. 9993 shall be returned to

the retiree. The same shall also be retroactively applicable to indexation of pension to base pay scale adjustments affected by Republic Act No. 9993: Provided, That for the ranks of Admiral and Vice Admiral, adversely affected by Congress Joint Resolution (CJR) No. 4 s. 2008 and CJR No. 1 s. 2018, they shall be adjusted in pay grade the same as its contemporary ranks of General and Lieutenant General in the AFP and PNP: Provided, Further, that those affected by the Joint Resolutions be repaid the difference in pay and allowance as a result of the issuance of the said Resolutions for retired officers and enlisted personnel. 

SEC. 56. Separability Clause. – Should any provision or part of this Act be declared unconstitutional or invalid, the other provisions and parts hereof, insofar as they are separable from the invalid ones, shall remain in full force and effect.

SEC. 57. Repealing Clause. – Republic Act No. 9993 is hereby repealed. All laws, decrees, orders, issuances, rules and regulations, or parts thereof which are inconsistent with this Act are hereby repealed or modified accordingly.

SEC. 58. Effectivity. - This Act shall take effect fifteen (15) days after its complete publication in the *Official Gazette* or in at least two (2) newspapers of general circulation.

Approved,