

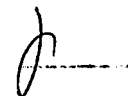
EIGHTEENTH CONGRESS OF THE }
REPUBLIC OF THE PHILIPPINES }
Third Regular Session }

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SENATE

S.B. NO. 2360

RECEIVED



INTRODUCED BY SENATOR VICENTE C. SOTTO III

AN ACT

RECOGNIZING THE ROLE OF THE MEMBERS OF THE CAREER EXECUTIVE SERVICE (CES) IN EFFECTIVELY UPHOLDING, PURSUING, AND MAINTAINING GOOD GOVERNANCE AND ACCOUNTABILITY IN PUBLIC SERVICE BY GRANTING THEM SALARIES, SPECIAL ALLOWANCES, RETIREMENT BENEFITS, AND PRIVILEGES COMMENSURATE TO THEIR CES RANKS, APPROPRIATING FUNDS THEREFOR, AND FOR OTHER PURPOSES

EXPLANATORY NOTE

There is a distinct class of workers among us that have kept the government, in every administration, running smoothly as a well-oiled machine, impervious to political changes and bureaucratic realignments. They are serving the public with extreme dedication and patriotism; they reach the far lengths of the archipelago executing the national agenda as public workers, division superintendents, regional directors, scientists, health professionals, district engineers, members of the defense establishment and law enforcement, immigration and customs officers, legal officers, or otherwise professionals in their respective fields. They are everywhere: in the Executive, Legislative, and Judicial branches of government. They are exceptional, for they comprise the "third level" or managerial class of workers in government. They are the Career Executive Service professionals, or otherwise known as Career Executive Service Officers (CESOs).

The Career Executive Service (CES) was created under the Integrated Reorganization Plan as embodied in Presidential Decree (P.D.) No. 1 dated 24 September 1972, to form a continuing pool of well-selected and development-oriented career administrators who shall provide competent and faithful service.

Positions in the CES are as follows: Undersecretary, Assistant Secretary, Bureau Director, Assistant Bureau Director, Regional Director, Assistant Regional Director, Chief of Department Service and other officers of equivalent rank as may be identified by the Career Service Executive Board (CESB), all of whom are appointed by the President. ¹

Members of the CES shall be classified according to rank based on broad levels of responsibility and on personal qualifications and demonstrated competence. Salary and status shall be based on rank, not on the position occupied at any given time. ²

As of 26 February 2020, the total number of occupied CES positions is 1,906 out of 2,672 available CES positions, and out of the 1,906 filled positions, only 986 are ranked career officers and third level eligible.³ This means that of the 1.6 Million workers in government, less than one thousand (1,000) CES Officers⁴ indispensably take the role as managers and prime movers in the bureaucracy to ensure the continuous, unhampered, efficient, and faithful implementation of government programs and the national agenda.

Consistent with the original intent of P.D. No. 1 creating the CES, "Members of the CES shall be compensated according to rank and shall be provided with attractive salaries, fringe benefits and reasonable allowances. The employing agency shall provide the funds to pay the salary, fringe benefits and allowances of the career executive assigned to it.

Demonstrably, members of the CES, otherwise termed as CESOs possess those rare qualities of competence, innovation, and development or career-

¹ [Section 7 [3], Chapter 2, Subtitle A, Title I, Executive Order [E.O.] No. 292, s. of 1987 or the Administrative Code of 1987)

² (Section 5[b], Article IV, IRP, P.D. No. 1, s. 1972)

³ (Source: CES Occupancy Figures, Career Service Executive Board, www.cesboard.gov.ph/occupancy)

⁴ (Inventory of Government Human Resource as of August 2020, the Civil Service Commission)

orientation. As a result of their sterling qualities, they are given more responsibilities, work longer hours, attend more meetings and trainings, but unfortunately, at the end of the day, receive equal pay as their peers who are non-CESOs with the same salary grade.

It is therefore the intent of this measure to give due recognition to our hard-working members of the Career Executive Service by giving them attractive salaries, reasonable special allowances, retirement benefits and privileges commensurate to their faithful and exemplary government service.

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


VICENTE C. SOTTO III

INTRODUCED BY SENATOR VICENTE C. SOTTO III

AN ACT
RECOGNIZING THE ROLE OF THE MEMBERS OF THE CAREER
EXECUTIVE SERVICE (CES) IN EFFECTIVELY UPHOLDING,
PURSUING, AND MAINTAINING GOOD GOVERNANCE AND
ACCOUNTABILITY IN PUBLIC SERVICE BY GRANTING THEM
SALARIES, SPECIAL ALLOWANCES, RETIREMENT BENEFITS, AND
PRIVILEGES COMMENSURATE TO THEIR CES RANKS,
APPROPRIATING FUNDS THEREFOR, AND FOR OTHER PURPOSES

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

1 **Section 1.** *Title.* – This Act shall be known as the “CES Recognition Act
2 of 2021.”

3 **Section 2.** *Declaration of Policy.* – It is hereby declared the policy of the
4 State to maintain and keep a roster of qualified, committed, and efficient
5 members of the Career Executive Service (CES) in the government by
6 providing them with salaries, special allowances, retirement benefits and
7 privileges commensurate to their CES ranks.

8 **Section 3.** *Members of the CES; Qualification Requirements.* – A person
9 who meets such managerial experience and other requirements and passes
10 such examinations as may be prescribed by the Career Executive Service
11 Board (CESB) shall be included in the register of career service eligible and,
12 upon appointment by the President of the Republic of the Philippines to an
13 appropriate rank, shall become an active member of the CES.

14 An incumbent of a CES position who does not possess the appropriate
15 qualification shall undergo the CES eligibility process prescribed by the

1 CESB, within one (1) year from appointment to qualify for the CES position
2 and avail of the benefits provided under this Act.

3 The CESB shall ensure that only CES eligible and with appropriate ranks
4 shall be given preference to occupy available CES positions.

5 **Section 4.** *Grant of Salaries Commensurate to CES Ranks.* – Members of
6 the CES shall be compensated according to rank based on broad levels of
7 responsibility and on personal qualifications and demonstrated competence,
8 and shall be provided with salaries commensurate to their CES ranks, to be
9 determined by the Department of Budget and Management (DBM), CESB, and
10 the National Union of Career Executive Service Officers, Inc. (NUCESO).

11 **Section 5.** *Grant of Step Increments Due to Meritorious Performance.* –
12 Members of the CES shall be granted step increment(s) due to meritorious
13 performance in any given year, provided they have complied with the following
14 performance ratings:

15 a. “Outstanding” performance rating within a calendar year – two (2) step
16 increments;

17 b. “Very Satisfactory” performance rating within a calendar year – one (1)
18 step increment.

19 **Section 6.** *Grant of Automatic CESO Rank and One-Step Salary*
20 *Adjustment.* – A CESO appointed to a higher CES position shall be
21 automatically conferred by the President of the Republic of the Philippines,
22 upon the recommendation of the CESB, with the appropriate CESO Rank
23 commensurate to the position he/she has been appointed to, without
24 undergoing the usual CES eligibility process for the promotion or adjustment
25 of rank, and shall be entitled to one-step salary adjustment in the salary grade
26 attached to his/her new position.

27 **Section 7.** *Effects of Subsequent Salary Increases.* – Upon
28 implementation of any subsequent increases in the salary rates provided
29 under Republic Act. No. 6758, as amended, all special allowances granted
30 under this Act to the CES members shall be considered as an implementation
31 of the said salary increases as may be provided by law. The special allowance
32 equivalent to the increase in the basic salary as may be provided by law shall
33 be converted as part of the basic salary.

34 **Section 8.** *Grant of Special Allowances.* – To carry out the declared policy
35 of this Act, all CES members, with an eligibility and with a rank, shall be

1 granted special allowances in the amount to be determined by the DBM,
2 CESB and NUCESO.

3 The grant of special allowances shall not exceed one hundred percent
4 (100%) of the basic salary of said CES members, as provided in Republic Act
5 No. 6758, otherwise known as the Salary Standardization Law, as amended.

6 **Section 9. Retirement Benefits.** – When a CES member, who has
7 rendered at least fifteen (15) years of service in any branch of government,
8 retires for having attained the age of sixty-five (65) years or resigns by reason
9 of incapacity to discharge the duties of his/her office, he/she shall, during
10 the residue of his/her natural life, in the manner hereinafter provided, receive
11 a retirement pension based on the highest monthly salary, plus the highest
12 monthly aggregate of transportation, living and representation allowances,
13 which he/she was receiving at the time of his/her retirement or resignation.

14 When a CES member has attained the age of sixty (60) years and has
15 rendered at least fifteen (15) years of service in government, he/she shall
16 likewise be entitled to retire and receive during the residue of his/her natural
17 life the same benefits provided for in this section: *Provided, however,* that
18 those with less than fifteen (15) years of service in the government shall be
19 entitled to a pro-rata pension computed as follows:

| | |
|----------------------|--------------------|
| No. of years | Basic Pay Plus the |
| <u>In Government</u> | Highest Monthly |
| X | Aggregate of |
| | Transportation, |
| | Living and |
| 15 years | Representation |
| | Allowances |

20 Upon retirement, a CES member shall be automatically entitled to a
21 lump-sum of five (5) years gratuity computed on the basis of the highest
22 monthly salary, plus the highest monthly aggregate of transportation, living
23 and representation allowances, which he/she was receiving on the date of
24 his/her retirement and thereafter upon survival after the expiration of five (5)
25 years, to further annuity payable monthly during the residue of his/her
26 natural life.

27 **Section 10. Survivorship Pension Benefits.** Upon the death of a CES
28 member, if such CES member has retired, or was eligible to retire optionally
29 at the time of death, the surviving legitimate spouse shall be entitled to receive
30 Survivorship Pension Benefits. The surviving legitimate spouse shall continue

1 to receive such retirement benefits until the surviving spouse's death or
2 remarriage.

3 **Section 11. *Automatic Increase.*** – All pension benefits of retired CES
4 member shall be automatically increased whenever there is an increase in the
5 salary and allowance of the same position from which he/she retired.

6 **Section 12. *Limitations.*** – A CES member shall not be entitled to
7 special allowances and retirement benefits under this Act if he/she is already
8 covered by any law providing the same allowances and benefits, unless the
9 special allowances and retirement benefits under this Act are higher, in which
10 case, he/ she shall receive the higher allowances and benefits. When a CES
11 member covered under this Act shall assume an elective public office, he/she
12 shall not, upon assumption of office and during his/her term, receive the
13 monthly pension or any of the allowance due to him/her.

14 **Section 13. *Retroactivity.*** – The benefits mentioned in Sections 8 and 9
15 hereof shall be granted to all those who retired prior to the effectivity of this
16 Act.

17 **Section 14. *Implementing Rules and Regulations.*** – The DBM, CESB,
18 and NUCESO shall issue the necessary rules and regulations for the effective
19 implementation of this Act not later than ninety (90) days from approval
20 hereof.

21 **Section 15. *Appropriations.*** – The amount needed for the initial
22 implementation of this Act shall be charged against the current year's
23 appropriation of the concerned agencies. Thereafter, such sums as may be
24 necessary for the continued implementation of this Act shall be included in
25 the annual General Appropriations Act.
26

27 **Section 16. *Separability Clause.*** – If any provision of this Act is declared
28 invalid or unconstitutional, the other provisions not affected by such
29 declaration shall remain in full force and effect.

30 **Section 17. *Repealing Clause.*** – All laws, presidential decrees,
31 executive orders, administrative orders, and rules and regulations
32 inconsistent with this Act are hereby repealed, modified or amended
33 accordingly.

1 **Section 18. Effectivity.** – This Act shall take effect fifteen (15) days after
2 its complete publication in the *Official Gazette* or in two (2) newspapers of
3 general circulation.

4 *Approved,*