M. THE STATE IMIY

Republic of the Philippines FOURTEENTH CONGRESS First Regular Session)))	7 JH 17 194:31
	SENATE	HEGEIVED BY:
	Bill No. <u>123</u> 8	

Introduced by Senator FRANCIS G. ESCUDERO

EXPLANATORY NOTE

The Philippines, being comprised of more than 7,100 islands, boasts of one of the longest coastlines in the world. Our archipelago is rich in marine resources as evidenced by its biodiversity. All these have to be preserved and this necessitates that its territorial integrity be ensured.

This bill recognizes the vital role that the Philippine Coast Guard plays in securing our territorial waters and in ensuring maritime safety. In times of emergency, the Philippine Coast Guard renders search and rescue operations which save life and property.

To ensure that the best personnel are retained and that the cream of the crop is absorbed into the Philippine Coast Guard, adequate compensation must be maintained. Recognizing the spirit of voluntarism and "bayanihan", qualified individuals are likewise encouraged to join the Philippine Coast Guard.

The Department of Transportation and Communications is the logical home of the Philippine Coast Guard. This bill seeks to attach the Philippine Coast Guard with the Department of Transportation and Communications.

In view of the foregoing reasons, this Measure is earnestly requested.

EDANCIE C ECCUPEDO

OFFICE STOR STUDETARY

Republic of the Philippines FOURTEENTH CONGRESS First Regular Session)))	7 JL 17 PAS
	SENATE	HECEIVED BY:
	Bill No. <u>1238</u>	

Introduced by Senator FRANCIS G. ESCUDERO

1	ANACT
2	REORGANIZING THE PHILIPPINE COAST GUARD AS A
3	SEPARATE AND DISTINCT COMMISSIONED SERVICE UNDER
4	THE DEPARTMENT OF TRANSPORTATION AND
5	COMMUNICATIONS AND FOR OTHER PURPOSES.
6	
7	Be it enacted by the Senate and House of Representatives of the
8	Philippines in Congress assembled:
9	
10	CHAPTER I
11	GENERAL PROVISIONS
12	
13	SECTION 1. Short Title. – This Act shall be known as the
1.5	DESCRIPTION AND THE THE SHALL OF KNOWN AS THE
14	"Philippine Coast Guard Act of 2007."
15	SEC. 2. Declaration of Policies The State recognizes its
16	obligation to protect the marine wealth in its archipelagic waters, territorial
4.59	and and analyze and an analyze of
17	seas, and exclusive economic zone, and reserves the use and employment of
18	the same to Filipino citizens.
10	mia partia to i inflita attractor

The Philippines needs a balanced and healthful marine ecology, which shall (a) assure a sustainable growth and development of its bountiful marine wealth and other resources; (b) encourage the growth and development of sea transportation as a primary and vital link of the various islands of the archipelago; and (c) promote ecotourism by projecting internationally the pristine beauty of its natural sceneries such as white beaches, and other tourist spots.

Towards these ends, the State reaffirms its obligation to protect the maritime environment by: (a) promoting maritime safety to prevent, minimize or effectively respond to marine accidents; (b) enhancing maritime security; (c) safeguarding the marine environment; and (d) maintaining and ensuring peace and order in the archipelagic waters, coastal areas, territorial seas and exclusive economic zone.

14 CHAPTER II

PHILIPPINE COAST GUARD

SEC. 3. *Philippine Coast Guard.* – The Philippine Coast Guard (PCG) is hereby reorganized as a distinct, sea-going, uniformed commissioned service attached to the Department of Transportation and Communications (DOTC).

- The President of the Republic of the Philippines may, in times war or
- 2 national emergency declared by Congress, revert the PCG under the
- 3 Department of National Defense (DND) as a support service command.
- 4 SEC. 4. Powers and Functions. The PCG shall have the
- 5 following powers and functions:
- 6 a) Enforce laws, promulgate and administer rules and regulations
- 7 for the promotion of safety of life and property at sea and the protection of
- 8 the marine environment and its resources within the maritime jurisdiction of
- 9 the Philippines;
- b) Render aid to persons and vessels in distress and conduct search
- and rescue in case of marine accident within the maritime jurisdiction of the
- 12 Philippines, including the high seas, in compliance with the international
- maritime conventions. The PCG shall likewise be the center of maritime
- 14 communications and lead coordinator during the conduct of the
- 15 aforementioned operations;
- 16 c) Enforce and assist in the enforcement of laws on fishery,
- 17 immigration, tariff and customs, forestry, firearms and explosives,
- dangerous drugs, trafficking of women and children and all other applicable
- 19 laws within the territorial waters of the Philippines;

- 1 national objectives of the Commission on Higher Education, maritime
- 2 schools and colleges may choose PCG as their partner in the National
- 3 Service Training Program (NSTP).
- 4 SEC. 7. Auxiliary Force. The PCG may organize and train a
- 5 civilian volunteer organization known as the PCG Auxiliary Force under the
- 6 direct control and supervision of the Commandant or any other officer
- 7 designated by him for the purpose of assisting in the promotion of safety of
- 8 life at sea, the preservation of the marine environment and its resources, the
- 9 conduct of maritime search and rescue, and the maintenance of aids to
- 10 navigation and such other activities that enhance maritime community
- 11 relations which include civic action, youth development and related
- 12 activities.
- 13 SEC. 8. Composition. The PCG shall consist of the following
- 14 categories of officers and employees:
- 15 1) Officers;
- 16 2) Enlisted Personnel;
- 17 3) non-uniformed personnel;
- 18 4) Probationary Ensign; and
- 19 5) Midshipmen/women

-)	Δ	D'	FER	I	T	
4	'.	 /~~		1 / 1 / 1	R		

3	A.	ORG	Aľ	NIZA	TIC)N	AL	STR	UCI	TURE
---	----	------------	----	------	-----	----	----	-----	-----	------

- 4 SEC. 9. Uniformed and Non-uniformed Personnel.— The PCG
- 5 shall consist of uniformed and non-uniformed personnel with defined Coast
- 6 Guard Table of Organization and Equipment, specialties, ranks, ratings, and
- 7 plantilla positions. In times of war as declared by Congress, however, the
- 8 PCG shall be attached to the DND as a support service agency.
- 9 SEC. 10. Commandant. The PCG shall be headed by a
- 10 Commandant who shall carry the rank of Admiral. The Commandant shall
- 11 be appointed by the President from among the Flag Officers in the coast
- guard active service who holds a Command-at-Sea-Badge or has served as a
- District Commander of PCG, and with more than one (1) year remaining in
- 14 the PCG service.
- 15 The Commandant shall have a maximum term of three (3) years. A
- 16 Commandant who has served for three (3) years prior to his compulsory
- 17 retirement shall be considered as retired and shall be entitled to all the
- benefits available to a coast guard officer as if he compulsorily retired:
- 19 Provided, That in times of war or other national emergency declared by
- 20 Congress, the President may extend his term of office.

- SEC. 11. Functions. The Commandant shall exercise the following functions:
- a. Advise the President or the Secretary of the Transportation and
- 4 Communications on the promulgations of executive orders, rules and
- 5 regulations, proclamations and other issuances relative to matters under the
- 6 jurisdiction of the PCG;
- 7 b. Establish policies and standards for the efficient and effective
- 8 management and operation of the PCG;
- 9 c. Promulgate rules and regulations necessary to carry out the
- objectives, policies, plans, programs and projects of the PCG;
- d. Enter into contracts for the acquisition of floating air and sub-
- surface assets, real estate, communications equipment and other necessities
- 13 relative to the performance of its powers and functions subject to the
- 14 limitations of existing laws, rules and regulations;
- e. Receive grants and other forms of assistance from other
- 16 countries in support of PCG's continued development and modernization
- 17 projects subject to existing laws; and
- 18 f. Perform such other functions as may be provided by law or
- 19 appropriately assigned by the President or the Secretary of the
- 20 Transportation and Communications.

- 1 SEC. 12. Technical Services. There shall be Technical Services
- 2 in the field of medical, dental, legal and ecumenical, among others, to be
- 3 composed of medical doctors, nurses, psychologists, veterinarians, dentists,
- 4 lawyers, chaplains, imams, including personnel whose pre-entry required
- 5 course are closely related or allied to the aforementioned professional
- 6 groups.
- 7 Officers appointed to the Technical Services shall have the initial rank
- 8 of Ensign except for dentists and veterinarians whose initial rank shall be
- 9 Lieutenant Junior Grade and lawyers, medical doctors, chaplains and *imams*,
- whose initial rank shall be Lieutenant Senior Grade.

B. PERSONNEL ADMINISTRATION, WELFARE AND

12 BENEFITS

Academy is established.

20

shall be approved by the President of the Republic of the Philippines through
the Secretary of DOTC. No person shall be appointed as a PCG officer
unless the candidate is a holder of a baccalaureate degree in related fields of
coast guard functions, preferably a licensed professional. The PCG may
continue to source its officers from leading universities, maritime
institutions and service academies until such time a Philippine Coast Guard

- The appointments and promotions of all PCG enlisted personnel shall
- 2 be made by the Commandant in accordance with the implementing rules and
- 3 regulations issued pursuant to this Act.
- 4 Appointments and promotions of all non-uniformed personnel shall be
- 5 in accordance with the civil service laws, rules and regulations.
- SEC. 14. Promotion of Uniformed Personnel. The Commandant shall recommend to the President, through the Secretary of Transportation and Communications the promotion of PCG officers who are best qualified
- 9 for appointment. The names shall be submitted by the PCG Selection and
- 10 Promotion Board from among the nominees who are qualified for the
- 11 appointment. In order to qualify as a nominee, a candidate must have
- 12 completed the required education and training relevant to said grades or rank
- and must have complied with the prescribed minimum time based on
- 14 approved PCG rules and regulations and other relevant laws: Provided, That
- special or meritorious promotion shall be extended to any PCG Officer for
- acts of inconspicuous courage and gallantry involving risk of life above and
- beyond the call of duty: *Provided, further*, That no officer shall be promoted
- 18 to the next higher rank when he or she has less than one (1) year remaining
- 19 in the PCG service.

- SEC. 15. Board of Flag Officers. There shall be a Board of Flag
- 2 Officers outside the PCG who shall deliberate on the promotion and assignment
- 3 of candidates for flag ranks in the PCG. The Secretary of Transportation and
- 4 Communications shall act as chairman of the Board with members composed
- of the three (3) undersecretaries of the DOTC, the Commandant PCG, and
- 6 PCG Chief of Personnel as Secretariat and non voting member.
- 7 SEC. 16. Promotion of Enlisted Personnel and Non-uniformed
- 8 Employees. The Commandant shall promote enlisted personnel to the next
- 9 higher grade rank based on the recommendation of the PCG Selection and
- 10 Promotion Board. The promotion of non-uniformed employees shall be
- governed by the civil service laws, rules and regulations.
- 12 SEC. 17. Retirement and Health Care System. Officers and enlisted
- personnel who have attained the age of fifty-six (56) or has thirty (30) years
- 14 of active accumulated government service as commissioned officer or
- 15 enlisted personnel in the PCG, including the services rendered as
- 16 commissioned officer or enlisted personnel in other uniformed service,
- 17 whichever comes first, shall be retired compulsorily from the service:
- 18 Provided, That officers and enlisted personnel who have served at least
- 19 twenty (20) years of satisfactory active service, shall be allowed to retire
- 20 optionally, at their own request and with the approval of the Secretary of

- 1 Transportation and Communications and the Commandant.
- 2 For the purpose of determining the compulsory retirement of PCG
- 3 uniformed personnel, thirty (30) years of active coast guard service shall be
- 4 reckoned from the date of oath of office as regular second lieutenant or
- 5 ensign or apprentice seaman or seawoman, inclusive of the services rendered
- 6 in other uniformed services: *Provided*. That services rendered prior to the
- 7 commissionship or enlistment in the uniformed service and those other
- 8 services rendered in the government service shall be accredited for purposes
- 9 of longevity pay.
- The retirement of all non-uniformed personnel shall be in accordance
- with the civil service laws, rules and regulations.
- 12 SEC. 18. Separation. Officers and enlisted personnel who
- 13 voluntarily resign or otherwise fail to comply with the standards of
- 14 competence and proficiency shall be separated from the service under
- existing laws, rules and regulations: Provided, That PCG personnel who has
- served continuously for at least five (5) years and who is separated through
- 17 no fault of his own or voluntarily resign shall be entitled to a separation pay
- equivalent to one (1) month salary for every year of service in addition to the
- 19 commutation of all the accumulated leaves to his credit.
- SEC. 19. Retirement Benefits. The monthly retirement pay shall

be seventy percent (70%) of the base pay and longevity in case the retiree

2 has rendered at least twenty (20) years of uniformed service increasing by

3 two and one-half percent (2 ½) for every year of actual uniformed service

rendered beyond twenty (20) years of service but not more than ninety-five

5 percent (95%): Provided, That the retiree shall have the option to receive in

advance the retirement lump sum equivalent to the first five (5) years of

retirement pay as it accrues: Provided, further, That the payment of the

lump sum shall be made within six months from the effectivity date of

retirement: Provided, finally, That the retirement pay of all uniformed

personnel shall conform with the prevailing pay scale of members in the

active service.

The retirement benefits of all non-uniformed personnel shall be in accordance with the civil service laws, rules and regulations.

14

15

16

17

18

19

20

4

6

7

8

9

10

11

12

13

C. DISCIPLINE AND ORDER

SEC. 20. *Disciplinary Actions.* — In dispensing discipline and order among officers and enlisted personnel, the PCG shall continue to adopt the provisions of Commonwealth Act No. 408, as amended, with the Commandant of the PCG as the convening authority, until such time that the PCG has established its own Code of Conduct and Discipline.

3

2 CHAPTER IV

PAY AND ALLOWANCES FOR UNIFORMED PERSONNEL

- 4 SEC. 21. **Duty Hours.** PCG personnel shall be on call 24-hours a
- 5 day but are required to render minimum service of 8-hours a day except on
- 6 scheduled duty or during red alert or national emergencies.
- 7 SEC. 22. Salary Scale. The PCG shall have a salary scale
- 8 separate and distinct from other agencies of the government to attract the
- 9 best and competent in the coast guard service. The salary scale shall
- 10 undergo review every three (3) years. PCG uniformed personnel shall
- receive the same base pay and other benefits as are now or hereafter may be
- 12 authorized corresponding to the salary scale of the personnel of the
- 13 Department of Education or at par with other government agencies
- 14 performing law enforcement functions, whichever is higher.
- 15 SEC. 23. Criteria for Salaries. PCG personnel's salaries shall
- 16 correspond to the following criteria:
- a) Salary shall ensure that the lowest in rank and position receives
- an amount which will enable him and his family to afford a reasonable and
- 19 decent standard of living; and

- 1 b) Basic monthly salary shall exclude the subsistence allowance,
- 2 cost of living allowance, quarters allowance, clothing allowance, hazard pay,
- 3 amelioration pay, health care pay and all other allowances as may be
- 4 provided for by existing laws.
- 5 SEC. 24. Cost of Living Allowance. PCG personnel salaries shall
- 6 keep pace with the rise in the cost of living which shall automatically follow
- 7 changes in cost-of-living index as determined by appropriate government
- 8 agencies.
- 9 SEC. 25. Special Allowances. In areas wherein PCG personnel
- are exposed to risks or hazards which ordinarily and usually occur in the
- 11 course of the performance of its mandated functions and established to be
- 12 peculiar to any given area or place of assignment, as determined by the PCG,
- they shall be compensated with any of the following special allowances
- based on their current basic monthly pay, to wit:
- a) Sea Duty Pay. Personnel performing sea duties shall be
- entitled to a Sea Duty Pay equivalent to fifty percent (50%) of their basic
- 17 monthly pay;
- 18 b) Instructor Duty Pay. Personnel performing actual duties as
- an instructor shall be entitled to Instructor Duty Pay equivalent to fifty
- 20 percent (50%) of their basic monthly pay;

- c) Aviation Duty Pay. Personnel performing aviation duties shall be entitled to Aviation Duty Pay equivalent to fifty percent (50%) of their basic monthly pay;
- d) **High Risk Duty Pay.** Personnel performing actual duties which may be classified as high risk by the Commandant shall be entitled to a High Risk Duty Pay equivalent to fifty percent (50%) of their basic monthly pay;
- e) Hazardous Duty Pay. Personnel performing duties which may be classified as hazardous as determined by the Commandant shall be entitled to a Hazardous Duty Pay equivalent to fifty percent (50%) of their basic monthly pay;
- 12 f) Occupational Safety Pay. Technical personnel performing 13 duties in legal, medical, dental, and ecumenical services shall be entitled to 14 Occupational Safety Pay equivalent to fifty percent (50%) of their basic 15 monthly pay.
- Variable Pay and Allowances. In addition to the basic SEC. 26. 16 monthly salary, PCG uniformed personnel shall be entitled to Subsistence 17 Additional Allowance, Clothing Allowance, **Ouarters** Allowance, 18 Compensation Allowance, Personnel Emergency Relief Allowance, Health 19 Care Allowance, Laundry Allowance, Specialist Duty Pay, Productivity 20

- 1 Incentive Pay, Magna Carta Pay (public health worker), Special Clothing
- 2 Allowance, Burial Pay, Overseas Pay, Winter Clothing Allowance,
- 3 Radiation Pay, Special Counsel Allowance, Additional Subsistence
- 4 Allowance, and other allowances as may be provided for by law.
- 5 SEC. 27. Longevity Pay. PCG uniformed personnel shall be
- 6 entitled to a longevity pay of fifteen percent (15%) of their basic monthly
- 7 pay for every five (5) years of service in the government which shall be
- 8 computed from the date of the member's first appointment in the
- 9 government service: *Provided*, That the longevity pay shall not exceed sixty
- percent (60%) of the basic monthly pay.
- SEC. 28. Compensation for Physical and Mental Disability
- 12 Sustained in Line of Duty. PCG uniformed personnel shall be protected
- 13 against the consequences of employment injuries. Physical and
- 14 psychological stresses on the health of PCG uniformed personnel are
- 15 recognized as compensable occupational diseases in accordance with
- 16 existing laws.
- 17 SEC. 29. Permanent Physical Disability. A uniformed personnel
- who incurs a total permanent disability in the line of duty and has rendered a
- total of twenty (20) years of continuous active duty in the service shall be
- 20 compulsorily retired: Provided, That upon his compulsory retirement, he

- shall be entitled to a retirement pay pursuant to the pertinent provisions of
- 2 this Act.
- 3 SEC. 30. Disability Benefits. Any PCG uniformed personnel and
- 4 his dependents shall be entitled to all benefits relative to the personnel's
- 5 permanent incapacity as may be provided for under this Act or existing laws.
- 6 SEC. 31. Leave of Absence. In addition to other privileges
- 7 enjoyed under existing laws, PCG uniformed personnel shall also be entitled
- 8 to the following:
- 9 a) Study leave with pay not exceeding two (2) years. No grantee
- shall be allowed to accumulate more than two (2) years of study leave except
- 11 when an extra semester is needed to complete and defend thesis for a
- graduate study or degree that is relevant to the coast guard service.
- b) An indefinite leave of absence due to sickness which shall be
- 14 granted to an ailing personnel whose medical treatment requires more than
- one (1) year of continued treatment.
- 16 c) Leave with pay shall be chargeable against his leave credits.
- 17 Leave without pay shall not be granted whenever the personnel has leave
- 18 with pay to his credit.
- d) Vacation leaves shall accumulate and any part thereof not taken
- 20 within the calendar year may be carried over the succeeding years subject to

Civil Service Rules on accumulation of vacation leaves. 1 Whenever

uniformed personnel retires, voluntarily resigns or is allowed to resign or is 2

separated from the service through no fault of his own, he shall be entitled to 3

the commutation of all the accumulated leaves to his credit. 4

SEC. 32. Housing and Settlement Benefits. - All real estate under 5 the possession, supervision, control, or titled under the PCG including those 6

transferred to it and those it may legally claim by virtue of Executive Order 7

No. 475 and Executive Order No. 477 which may be determined by the 8

Commandant to be appropriate and best suited for housing and settlement

purposes of PCG personnel in the active service shall be appropriated for the

said purpose. PCG personnel shall also enjoy equal opportunity to such

other housing projects that the government may provide for government

employees: Provided, That appropriations shall be provided for the herein

purpose accordingly.

Exemption from Attachment and Taxes. - All benefits SEC. 33. 15 granted by this Act, including benefits received from any government 16 17

insurance agencies or corporations, shall be exempted from attachment,

levy, execution or any tax of whatever nature. 18

9

10

11

12

13

14

2	PAY AND	ALLOWANCES	OR NON-UNIFORMED	PERSONNEL
---	---------	-------------------	------------------	-----------

- 3 SEC. 34. Pay and Allowances of Non-uniformed PCG Personnel.
- 4 The salaries and allowances of the non-uniformed employees of the PCG
- 5 shall be in accordance with the Revised Compensation and Position
- 6 Classification Law and other pertinent laws.

7

8

9

14

15

16

17

18

19

20

CHAPTER VI

FINAL PROVISIONS

SEC. 35. Appropriations. — The budget of the PCG shall be provided for in the annual General Appropriations Act. The PCG shall prepare its own budget as Key Budgetary Unit (KBU) being an attached agency of the Department of Transportation and Communications.

SEC. 36. *PCG Trust Receipts.* – The PCG shall continue to collect fees, charges and fines, to include lighthouse dues, relevant to the exercise of its various regulatory functions. All income derived from the collection of fees and charges and such other sources shall be retained and constituted as a trust receipt which shall be deposited in any authorized government depository bank for the use of the PCG in the maintenance and repair of its assets such as but not limited to, vessels, aircrafts, navigational aids and

- lighthouses: Provided, That at least thirty percent (30%) shall be used in the
- 2 procurement and acquisition of communications and rescue equipment,
- 3 armaments, ammunition, and as contingency fund for petroleum, oil and
- 4 lubricants (POL) requirement during emergencies: Provided, further, That
- 5 no amount of the said trust receipt shall be used for the payment of salaries
- 6 and other allowances.
- 7 The PCG and the Department of Budget and Management shall jointly
- 8 issue guidelines for the implementation of this section and the trust receipt
- 9 shall be subject to government accounting and auditing rules and
- 10 regulations.
- 11 SEC. 37. Implementing Rules and Regulations. Within ninety
- 12 (90) days from the approval of this Act, the Secretary of Transportation and
- 13 Communications shall promulgate rules and regulations necessary to ensure
- 14 its effective implementation.
- 15 SEC. 38. Separability Clause. If any portion or provision of this
- 16 Act is declared unconstitutional or invalid, other sections or parts not
- 17 affected shall remain in full force and effect.
- SEC. 39. Repealing Clause. All laws, decrees executive orders,
- 19 rules and regulations and other issuances or parts thereof which are
- 20 inconsistent with this Act are repealed, amended, or modified accordingly.

- SEC. 40. Effectivity. This Act shall take effect fifteen (15) days
- 2 following its publication in two (2) national newspapers of general
- 3 circulation.
- 4 Approved,