

7 MAY 21

SENATE

Senate Bill No. 1892

INTRODUCED BY SEN. MANNY VILLAR

EXPLANATORY NOTE

Upon retirement or voluntary separation from the service, one of the benefits expected by employees is the refund of premiums paid on GSIS insurance policy, both the personal share and the share of the government with interest. However, those government employees whose insurance policies have not yet matured at the time of resignation or retirement will receive only their personal share and not the share of the government.

To address the above problem, this bill seeks to provide additional retirement benefits to government employees who opt to separate from the service even before the maturity of their GSIS policy through refund of its premium which shall include both the personal share and the government share.

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



MANNY VILLAR

SENATE

Senate Bill No. 1892

INTRODUCED BY SEN. MANNY VILLAR

**AN ACT
PROVIDING FOR AN ADDITIONAL SEPARATION BENEFITS TO MEMBERS
OF THE GOVERNMENT SERVICE INSURANCE SYSTEM (GSIS) WHO OPT
TO RESIGN OR RETIRE BEFORE THE MATURITY OF THEIR INSURANCE
POLICY THROUGH REFUND OF INSURANCE PREMIUMS PAID INCLUSIVE
OF GOVERNMENT SHARE, AMENDING FOR THE PURPOSE REPUBLIC
ACT NO. 8291, OTHERWISE KNOWN AS THE "GSIS ACT OF 1997" AND
FOR OTHER PURPOSES**

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

SECTION 1. Section 11 of RA 8291 is hereby amended by adding another paragraph, to read as follows:

SEC. 11 Separation Benefits- The separation benefits shall consist of -

a. a cash payment equivalent to 100 hundred percent (100%) of his average monthly compensation for each year of service be paid contributions, but less than Twelve Thousand Pesos (P12,000) payable upon reaching sixty (60) years of age or upon reaching sixty (60) years of age or upon separation, whichever comes later, Provided, That the member resigns or separates from the service after he has rendered at least three (3) years of service but less than fifteen (15) years; or

b. a cash payment equivalent to eighteen (18) times his basic monthly pension payable at the time of registration or

separation, plus an old-age pension benefit equal to the basic monthly pension payable monthly for life upon reaching the age of sixty (60); Provided, that the member resigns or separates from the service after he has rendered at least fifteen (15) years of service and is below sixty (60) years of age at the time of resignation or separation [.];

PROVIDED, FURTHER, THAT A MEMBER WHO OPTS TO SEPARATE BY RESIGNATION, RETIREMENT OR OTHERWISE FROM THE SERVICE PRIOR TO THE MATURITY OF HIS/HER INSURANCE POLICY, MAY, AT HIS OPTION, EITHER:

1. RECEIVE A CASH AMOUNT EQUIVALENT TO THE REFUND OF PREMIUMS PAID BY BOTH THE MEMBER AND THE GOVERNMENT, WITH INTEREST THEREOF; OR

2. TRANSFER AND CONTINUE HIS MEMBERSHIP WITH THE SSS SHOULD HE GO TO THE PRIVATE SECTOR; OR

3. STAY WITH THE GSIS AND CONTINUE TO PAY HIS CONTRIBUTIONS AND THAT OF THE GOVERNMENT'S.

SECTION 2. Any provision of law, executive order, decree or rules of court, which may be inconsistent with the provisions of this Act are hereby repealed, amended or modified accordingly.

SECTION 3. This Act shall take effect fifteen (15) days after its publication in the Official Gazette or in at least two (2) national newspapers of general circulation.

Approved,