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OF THE PHILIPPINES)
First Regular Session)

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SENATE
S. No. 1663

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*Introduced by Senators Romulo, Maceda, Herrera, Roco, Macapagal, Angara, Drilon,
Fernan, Tatad and Coseteng*

**AN ACT
FURTHER STRENGTHENING THE SOCIAL SECURITY SYSTEM
THEREBY AMENDING FOR THIS PURPOSE REPUBLIC ACT NO. 1161,
AS AMENDED, OTHERWISE KNOWN AS THE SOCIAL SECURITY
LAW**

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

1 **SEC. 1.** Section 2 of R.A. No. 1161, as amended, is hereby further amended to read
2 as follows:

3 "SEC. 2. *Declaration of Policy.* - It is the policy of the state to establish,
4 develop, promote and perfect a sound and viable tax-exempt social security
5 system suitable to the needs of the people throughout the Philippines which shall
6 (a) promote social justice and towards this end, the state shall endeavor to extend
7 social security protection to all workers and their families; (b) provide meaningful
8 protection to covered workers and their families against the hazards of disability,
9 sickness, maternity, old age, death, and other contingencies resulting in loss of
10 income or financial burden; and (c) contribute to the socio-economic development
11 of the country."

12 **SEC. 2.** Section 3 of R.A. No. 1161, as amended, is hereby further amended to read
13 as follows:

14 "SEC. 3. *Social Security System.* - (a) To carry out the purposes of this
15 Act, the Social Security System, hereinafter referred to as SSS, a corporate body,
16 with juridical personality and principal place of business in Metro Manila,
17 Philippines is hereby created. The SSS shall be directed and controlled by a
18 Social Security Commission composed of the Secretary of Labor and Employment
19 or his duly designated undersecretary, the SSS President and seven (7) appointive

1 members, three (3) of whom shall represent the workers group, one (1) of whom
2 shall be a woman; three (3), the employers group, one (1) of whom shall be a
3 woman; and one (1), the general public, to be appointed by the President of the
4 Philippines. The six (6) members representing workers and employers shall be
5 chosen from among the nominees of workers' and employers' organizations,
6 respectively. The Chairman of the Commission shall be designated by the
7 President of the Philippines from among its members. The term of the appointive
8 members shall be three (3) years: *Provided*, That the terms of the first six (6)
9 appointive members shall be one, two (2) and three (3) years for every two (2)
10 members, respectively: *Provided, further*, That they shall continue to hold office
11 until their successors shall have been appointed and duly qualified. All vacancies,
12 except through the expiration of the term, shall be filled for the unexpired term
13 only. The appointive members of the Commission shall receive at least Two
14 thousand five hundred pesos (₱2,500.00) per diem for each meeting actually
15 attended by them: *Provided*, That no compensation shall be paid for more than
16 eight meetings a month. Members of the Commission who hear cases pending
17 before the Commission shall also receive a *per diem* of at least Two thousand five
18 hundred pesos (₱2,500.00): *Provided, further*, That said members of the
19 Commission shall also receive reasonable transportation and representation
20 allowances as may be fixed by the Commission."

21 "(b) The general conduct of the operations and management functions of
22 the SSS shall be vested in the President who shall serve as the chief executive
23 officer immediately responsible for carrying out the program of the SSS and the
24 policies of the Commission. The President shall be a person who has had
25 previous experience in technical and administrative fields related to the purposes
26 of this Act. He shall be appointed by the President of the Philippines and shall

1 receive a salary to be fixed by the Commission with the approval of the President
2 of the Philippines, payable from the funds of the SSS."

3 "(c) The Commission, upon the recommendation of the President, shall
4 appoint an actuary, and such other personnel as may be deemed necessary; by
5 itself, fix their reasonable compensation, allowances and other benefits; prescribe
6 their duties and establish such methods and procedures as may be necessary to
7 insure the efficient, honest and economical administration of the provisions and
8 purposes of this Act: *Provided, however,* That the personnel of the SSS below the
9 rank of assistant vice-president shall be appointed by the President: *Provided,*
10 *further,* That the personnel of the SSS shall be selected only from civil service
11 eligibles and be subject to civil service rules and regulations: *Provided, finally,*
12 that the SSS shall be exempt from the provisions of Republic Act No. 6758 and
13 Republic Act No. 7430."

14 SEC. 3. Section 4 of R.A. No. 1161, as amended, is hereby further amended to read as
15 follows:

16 "SEC. 4. *Powers and Duties of the Commission and SSS* - (a) the
17 Commission. - for the attainment of its main objectives as set forth in Section 2
18 hereof, the Commission shall have the following powers and duties:

19 "(1) to adopt, amend and rescind such rules and regulations as may be
20 necessary to carry out the provisions and purposes of this Act, except those
21 specifically provided herein as subject to the approval of the President of the
22 Philippines."

23 "(2) to maintain a Provident Fund which consists of contributions made
24 by both the SSS and its officials and employees to a common fund for the
25 payment of benefits to such officials and employees or their heirs under such
26 terms and conditions as it may prescribe."

1 "(3) to compromise or release, in whole or in part, any interest, penalty
2 or any liability to SSS in connection with the investments authorized under
3 Section 26 hereof, under such terms and conditions as it may prescribe."

4 "(4) to approve restructuring proposals for the payment of due but
5 unremitted contributions and loan amortizations under such terms and conditions
6 as it may prescribe."

7 "(5) to approve, confirm, pass upon or review any and all actions of the
8 SSS in the exercise of its powers and duties hereinafter enumerated."

9 (B) the Social Security System. - subject to the provision of Section 4,
10 paragraph 5 hereof, the SSS shall have the following powers and duties:

11 "(1) To submit annually not later than March 31, a public report to the
12 President of the Philippines covering its activities in the administration and
13 enforcement of this Act during the preceding year including information and
14 recommendation on broad policies for the development and perfection of the
15 program of the SSS."

16 "(2) To require the actuary to submit a valuation report on the SSS benefit
17 program every five (5) years, or more frequently as may be necessary, and to
18 undertake the necessary actuarial studies and calculations concerning increases in
19 benefits and the financial stability of the SSS and to provide for the feasible
20 increases in benefits and the addition of new ones under such rules and
21 regulations as the Commission may adopt subject to the approval of the President
22 of the Philippines: *Provided*, That the actuarial soundness of the reserve fund
23 shall be guaranteed."

24 "(3) To establish branches of the SSS in provinces and highly urbanized
25 cities and representative offices in every congressional district, based on the
26 criteria to be set by the Commission, or whenever and wherever it may be

1 expedient or necessary, including offshore offices in selected countries, and to
2 inspect or cause to be inspected periodically such branches and offices."

3 "(4) To enter into agreements or contracts for such service and aid, as
4 may be needed for the proper, efficient and stable administration of the SSS."

5 (5) To adopt from time to time, a budget of expenditures including salaries
6 of personnel, against all funds available to the SSS under this Act."

7 "(6) To set up its accounting system and provide the necessary personnel
8 therefor."

9 "(7) To require reports, compilations and analyses of statistical and
10 economic data and to make investigation as may be needed for the proper
11 administration and development of the SSS."

12 "(8) To acquire and dispose of property, real or personal, and to borrow
13 funds, which may be necessary or expedient for the attainment of the purposes
14 of this Act."

15 "(9) To acquire, receive, or hold, by way of purchase, expropriation or
16 otherwise, public or private property for the purpose of undertaking housing
17 projects preferably for the benefit of low-salaried employees and for the
18 maintenance of schools, as well as hospitals and institutions for the members and
19 their families who are sick, aged and disabled."

20 "(10) To establish and operate a mutual fund to benefit SSS members."

21 "(11) To sue and be sued in court."

22 "(12) To perform corporate and such other acts as it may deem
23 appropriate for the proper enforcement of this Act."

24 SEC. 4. Paragraph (d) of Sec. 5 of R.A. No. 1161, as amended, is hereby further
25 amended to read as follows:

26 "SEC. 5. *Settlement of Disputes.* -

1 x x x

2 (d) Execution of decisions - the Commission may, *motu proprio* or on
3 motion of any interested party, issue a writ of execution to enforce any of its
4 decisions or awards, after it has become final and executory, in the same manner
5 as the decision of the regional trial court by directing the city or provincial sheriff
6 or the sheriff whom it may appoint to enforce such final decision or execute such
7 writ and any person who shall fail or refuse to comply with such decision, award,
8 or writ, after being required to do so shall, upon application by the Commission,
9 pursuant to rule 71 of the rules of court, be punished for contempt."

10 **SEC. 5.** Section 7 of R.A. No. 1161, as amended, is hereby further amended to read
11 as follows:

12 "SEC. 7. *Oaths, witnesses, and production of records.* - When authorized
13 by the Commission, an official or employee thereof shall have the power to
14 administer oath and affirmation, take depositions, certify to official acts, and issue
15 *subpoena* and *subpoena duces tecum* to compel the attendance of witnesses and
16 the production of books, papers, correspondence, and other records deemed
17 necessary as evidence in connection with any question arising under this Act.
18 Any case of contumacy shall be dealt with by the Commission in accordance with
19 law."

20 **SEC. 6.** Section 8 of R.A. No. 1161, as amended, is hereby further amended by
21 amending paragraphs (e), (j), (k) and (m), deleting paragraph (q) redesignating paragraph (r) as
22 the new paragraph (q), and adding a new paragraph designated as paragraph (r), to read as
23 follows:

24 "SEC. 8. *Terms Defined.* - For the purposes of this Act, the following
25 terms shall, unless the context indicates otherwise, have the following meanings:

26 "(e) Dependents - The dependents shall be the following:

1 (1) the legitimate spouse dependent for support upon the member;

2 (2) the legitimate, legitimated or legally adopted child who is unmarried,
3 not gainfully employed, and has not reached twenty-one years of age, or if over
4 twenty-one years of age, he is congenitally or while still a minor has been,
5 permanently incapacitated and incapable of self-support physically or mentally;

6 (3) the parent who is wholly dependent upon the member for regular
7 support; and

8 (4) subject to the restrictions imposed on the legitimate child provided
9 under sub-paragraph (2) hereof, the illegitimate child who is wholly dependent
10 upon the member for regular support."

11 "(i) Contribution - The amount paid to the SSS by and on behalf of the
12 member in accordance with Sec. 18 of this Act."

13 "(j) Employment - Any service performed by an employee for his
14 employer, except -

15 "(1) Employment purely casual and not for the purpose of occupation or
16 business of the employer;

17 "(2) Service performed on or in connection with an alien vessel by an
18 employee if he is employed when such vessel is outside the Philippines;

19 "(3) Service performed in the employ of the Philippine Government or
20 instrumentality or agency thereof;

21 "(4) Service performed in the employ of a foreign government or
22 international organization, or their wholly-owned instrumentality: *Provided,*
23 *however,* That this exemption notwithstanding, any foreign government
24 international organization, or their wholly-owned instrumentality employing
25 workers in the Philippines or employing Filipinos outside of the Philippines, may
26 enter into an agreement with the Philippine Government for the inclusion of such

1 employees in the SSS except those already covered by their respective civil
2 service retirement systems: *Provided, further,* That the terms of such agreement
3 shall conform with the provisions of this Act on coverage and amount of payment
4 of contributions and benefits: *Provided, finally,* That the provisions of this Act
5 shall be supplementary to any such agreement.

6 (5) Such other services performed by temporary and other employees
7 which may be excluded by regulation of the Commission. Employees of bona
8 fide independent contractors shall not be deemed employees of the employer
9 engaging the services of said contractors.

10 "(k) Beneficiaries - The dependent spouse until he or she remarries, the
11 dependent legitimate, legitimated or legally adopted children, and the dependent
12 illegitimate children, who shall be the primary beneficiaries of the member:
13 *Provided,* That the dependent illegitimate children shall be entitled to fifty per
14 cent of the share of the legitimate, legitimated or legally adopted children:
15 *Provided, further,* That in the absence of the dependent legitimate, legitimated or
16 legally adopted children of the member, his dependent illegitimate children shall
17 be entitled to one hundred per cent of the benefits. In the absence, the dependent
18 parents who shall be the secondary beneficiaries of the member; in the absence
19 of all of the foregoing, any other person designated by the member as his
20 secondary beneficiary."

21 "(l) Contingency - The retirement, death, permanent disability, injury or
22 sickness, and maternity of the member."

23 "(m) Average monthly salary credit - the result obtained by dividing the
24 sum of the last sixty monthly salary credits immediately preceding the semester
25 of contingency by sixty, or the result obtained by dividing the sum of all the
26 monthly salary credits paid prior to the semester of contingency by the number

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1 of monthly contributions paid in the same period, whichever is greater; *Provided,*
 2 That the injury or sickness which caused the disability shall be deemed as the
 3 permanent disability for the purpose of computing the average monthly salary
 4 credit."

5 "(q) Credited years of service - For a member covered prior to January
 6 1985, nineteen hundred eighty five minus the calendar year of coverage plus the
 7 number of calendar years in which six or more contributions have been paid from
 8 January 1985 up to the calendar year containing the semester prior to the
 9 contingency. For a member covered in or after January 1985, the number of
 10 calendar years in which six or more contributions have been paid from the year
 11 of coverage up to the calendar year containing the semester prior to the
 12 contingency: *Provided,* That the Commission may provide for a different number
 13 of contributions in a calendar year for it to be considered as a credited year of
 14 service."

15 "(r) Member - the worker who is compulsorily covered under Section 9
 16 and Section 9-A of this Act."

17 Sec. 7. Section 9 of R.A. No. 1161, as amended, is hereby further amended to read as
 18 follows:

19 "SEC. 9. *Compulsory Coverage.* -(a) Coverage in the SSS shall be
 20 compulsory upon all employees not over 60 years of age and their employers:
 21 *Provided,* That in the case of domestic helpers, their monthly income shall not be
 22 less than one thousand pesos a month: *Provided, further,* That any benefit already
 23 earned by the employees under private benefit plans existing at the time of the
 24 approval of this Act shall not be discontinued, reduced or otherwise impaired:
 25 *Provided, further,* That private plans which are existing and in force at the time
 26 of compulsory coverage shall be integrated with the plan of the SSS in such a way

1 where the employer's contribution to his private plan is more than that required
 2 of him in this Act, he shall pay to the SSS only the contribution required of him
 3 and he shall continue his contribution to such private plan less his contribution to
 4 the SSS so that the employer's total contribution to his benefit plan and to the SSS
 5 shall be the same as his contribution to his private benefit plan before the
 6 compulsory coverage: *Provided, further,* That any changes, adjustments,
 7 modifications, eliminations or improvements in the benefits to be available under
 8 the remaining private plan, which may be necessary to adopt by reason of the
 9 reduced contributions thereto as a result of the integration, shall be subject to
 10 agreements between the employers and employees concerned: *Provided, further,*
 11 That the private benefit plan which the employer shall continue for his employees
 12 shall remain under the employer's management and control unless there is an
 13 existing agreement to the contrary: *Provided, finally,* That nothing in this Act
 14 shall be construed as a limitation on the right of employers and employees to
 15 agree on and adopt benefits which are over and above those provided under this
 16 Act.

17 (b) Filipinos recruited by foreign-based employers for employment abroad
 18 may be covered by the SSS on a voluntary basis."

19 SEC. 8. Section 9-A of R.A. 1161, as amended, is hereby further amended to read as
 20 follows:

21 "SEC. 9-A. *Compulsory coverage of the self-employed.* - Coverage in the
 22 SSS shall be compulsory upon such self-employed persons as may be determined
 23 by the commission under such rules and regulations as it may prescribe, including
 24 but not limited to the following groups:

- 25 1. All self-employed professionals;
- 26 2. Partners and single proprietors of businesses;

- 1 3. Actors and actresses, directors, scriptwriters and news
- 2 correspondents who do not fall within the definition of the term
- 3 "employee" in Sec. 8 (d) of this Act;
- 4 4. Athletes, coaches, trainers, and jockeys
- 5 5. Individual farmers and fishermen.

6 Unless otherwise specified herein, all provisions of the SSS Law

7 applicable to covered employees shall also be applicable to the covered

8 self-employed persons."

9 **SEC. 9.** Section 10 of R.A. No. 1161, as amended, is hereby further amended to read

10 as follows:

11 "SEC. 10. *Effective date of coverage.* - Compulsory coverage of the

12 employer shall take effect on the first day of his operation and that of the

13 employee on the day of his employment: *Provided,* That the compulsory

14 coverage of the self-employed person shall take effect upon his registration with

15 the SSS."

16 **SEC. 10.** Section 11-A of R.A. No. 1161, as amended, is hereby further amended to

17 read as follows:

18 "SEC. 11-A. *Effect of Interruption of business or professional Income.* -

19 If the self-employed person realized no income in any given month [calendar

20 year], he shall not be required to pay contributions for that month He may,

21 however, be allowed to continue paying contributions under the same rules and

22 regulations applicable to separated member employees: *Provided,* That no

23 retroactive payment of contributions shall be allowed other than as prescribed

24 under Section 22-A hereof."

25 **SEC. 11.** Sec. 12 of R.A. No. 1161, as amended, is hereby further amended to read as

26 follows:

1 "SEC. 12. *Monthly Pension.* - (a) The monthly pension shall be the
2 highest of the following amounts:

3 (1) the sum of the following:

4 (i) Three hundred pesos; plus

5 (ii) Twenty per cent of the average monthly salary credit; plus

6 (iii) Two per cent of the average monthly salary credit for each
7 credited year of service in excess of ten years; or

8 (2) Forty per cent of the average monthly salary credit; or

9 (3) One thousand pesos *Provided*, That the monthly pension shall in no case be
10 paid for an aggregate amount of less than sixty months."

11 "(b) notwithstanding the preceding paragraph, the minimum pension shall
12 be One thousand two hundred pesos for members with at least ten credited years
13 of service and Two thousand pesos for those with twenty credited years of
14 service."

15 SEC. 12. Section 12-A of R.A. No. 1161, as amended, is hereby further amended to
16 read as follows:

17 "SEC. 12-A *Dependents' Pension.* - where monthly pension is payable on
18 account of death, total and permanent disability or retirement, dependents'
19 pension equivalent to ten percent of the monthly pension or One hundred fifty
20 pesos, whichever is higher, shall also be paid for each dependent child conceived
21 on or before the date of the contingency but not exceeding five, beginning with
22 the youngest and without substitution: *Provided*, That where there are legitimate
23 and illegitimate children, the former shall be preferred."

24 Sec. 13. Section 12-b of r.a. No. 1161, as amended, is hereby further amended by
25 amending paragraphs (a), (c) and (d), and adding new paragraph (e) to read as follows:

26 "Sec. 12-b. *Retirement Benefits.* - (a) a member who has paid at least one

1 hundred twenty monthly contributions prior to the semester of retirement and who
 2 (1) has reached the age of sixty years and is already separated from employment
 3 or has ceased to be self-employed or (2) has reached the age of sixty-five years,
 4 shall be entitled for as long as he lives to the monthly pension: *Provided*, That
 5 he shall have the option to receive his first six monthly pensions in lump sum."

6 "(c) the monthly pension shall be suspended upon the reemployment or
 7 resumption of self-employment of a retired member who is less than sixty-five
 8 years old. He shall again be subject to section eighteen and his employer to
 9 section nineteen of this Act."

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

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

22 **SEC. 14.** Section 13 of R.A. No. 1161, as amended, is hereby further amended to read
 23 as follows:

24 "SEC. 13. *Death Benefits.* - Upon the death of a member who has paid
 25 at least thirty six monthly contributions prior to the semester of death, his
 26 primary beneficiaries shall be entitled to the monthly pension: *Provided*, That if

1 he has no primary beneficiaries, his secondary beneficiaries shall be entitled to
2 a lump sum benefit equivalent to thirty-six times the monthly pension. If he has
3 not paid the required thirty six monthly contributions, his primary or secondary
4 beneficiaries shall be entitled to a lump sum benefit equivalent to the monthly
5 pension times the number of monthly contributions paid to the SSS or twelve
6 times the monthly pension, whichever is higher."

7 **SEC. 15.** Section 13-A of R.A. No. 1161, as amended, is hereby further amended by
8 amending paragraphs (a), (b), and (c); and adding new paragraphs (h), (i) and (j) to read as
9 follows:

10 **SEC. 13-A. *Permanent Disability Benefits*** - (a) Upon the permanent total
11 disability of a member who has paid at least thirty-six monthly contributions prior
12 to the semester of disability, he shall be entitled to the monthly pension:
13 *Provided*, That if, he has not paid the required thirty six monthly contributions,
14 he shall be entitled to a lump sum benefit equivalent to the monthly pension times
15 the number of monthly contributions paid to the SSS or twelve times the monthly
16 pension, whichever is higher. A member who (1) has received a lump sum
17 benefit and (2) is re-employed or has resumed self-employment not earlier than
18 one year from the date of his disability shall again be subject to compulsory
19 coverage and shall be considered a new member."

20 (b) the monthly pension and dependents' pension shall be suspended upon
21 the reemployment or resumption of self-employment or the recovery of the
22 disabled member from his permanent total disability or his failure to present
23 himself for examination at least once a year upon notice by the SSS."

24 "(c) Upon the death of the permanent total disability pensioner, his
25 primary beneficiaries as of the date of disability shall be entitled to receive the
26 monthly pension: *Provided*, That if he has no primary beneficiaries and he dies

1 within sixty months from the start of his monthly pension, his secondary
 2 beneficiaries shall be entitled to a lump sum benefit equivalent to the total
 3 monthly pensions corresponding to the balance of the five year guaranteed period
 4 excluding the dependents' pension."

5 "(h) in case of permanent partial disability, the monthly pension benefit
 6 shall be given in lump sum if it is payable for less than twelve months."

7 "(i) for the purpose of adjudicating retirement, death and permanent total
 8 disability pension benefits, contributions shall be deemed paid for the months
 9 during which the member received partial disability pension: *Provided*, That such
 10 contributions shall be based on his last contribution prior to his disability."

11 "(j) should a member who is on partial disability pension retire or die, his
 12 disability pension shall cease upon his retirement or death."

13 **SEC. 16.** Section 13-B of R.A. No. 1161, as amended, is hereby further amended to
 14 read as follows:

15 "Section 13-B. *Funeral Benefit*- A funeral grant equivalent to Twelve
 16 thousand pesos shall be paid, in cash or in kind, to help defray the cost of funeral
 17 expenses upon the death of a member, including permanently totally disabled
 18 member or retiree."

19 **SEC. 17.** Section 14 of R.A. 1161, as amended, is hereby further amended by amending
 20 paragraph (a) to read as follows:

21 "Sec. 14. *Sickness Benefit*- (a) A member who has paid at least three
 22 monthly contributions in the twelve-month period immediately preceding the
 23 semester of sickness or injury and is confined therefor for more than three days
 24 in a hospital or elsewhere with the approval of the SSS, shall, for each day of
 25 compensable confinement or fraction thereof, be paid by his employer, or the
 26 SSS, if such person is unemployed or self-employed, a daily sickness benefit

1 equivalent to ninety percent of his average daily salary credit, subject to the
2 following conditions:

3 "(1) in no case shall the daily sickness allowance be paid longer than one
4 hundred twenty days in one calendar year; nor shall any unused portion of the
5 one hundred twenty (120) days of sickness benefit granted under this section be
6 carried forward and added to the total number of compensable days allowable in
7 the subsequent year;

8 "(2) the daily sickness benefit shall not be paid for more than two
9 hundred forty days on of account of the same confinement; and

10 "(3) The employee member shall notify his employer of the fact of his
11 sickness or injury within five (5) calendar days after the start of his confinement
12 unless such confinement is in a hospital or the employee became sick or was
13 injured while working or within the premises of the employer in which case
14 notification to the employer is not necessary: *Provided*, That if the member is
15 unemployed or self-employed, he shall directly notify the SSS of his confinement
16 within five (5) calendar days after the start thereof unless such confinement is in
17 a hospital in which case notification is also not necessary: *Provided, further*,
18 That in cases where notification is necessary, the confinement shall be deemed to
19 have started not earlier than the fifth day immediately preceding the date of
20 notification."

21 **SEC. 18.** Section 14-A of R.A. No. 1161, as amended, is hereby further amended by
22 amending the opening paragraph and sub-paragraphs (c) and (f) to read as follows:

23 "SEC. 14-A. *Maternity Leave Benefit* - A female member who has paid
24 at least three monthly contributions in the twelve-month period immediately
25 preceding the semester of her childbirth, abortion, or miscarriage shall be paid
26 a daily maternity benefit equivalent to one hundred percent of her average daily

1 salary credit for sixty days or seventy-eight days in case of caesarean delivery,
2 subject to the following conditions:

3 "(c) that payment of daily maternity benefits shall be a bar to the recovery
4 of sickness benefits provided by this act for the same compensable period for
5 which daily maternity benefits have been received;

6 X X X

7 "(f) That if an employee member should give birth or suffer abortion or
8 miscarriage without the required contributions having been remitted for her by her
9 employer to the SSS, or without the latter having been previously notified by the
10 employer of the time of the pregnancy, the employer shall pay to the SSS
11 damages equivalent to the benefits which said employee member would otherwise
12 have been entitled to."

13 **SEC. 19.** Section 16 of R.A. 1161, as amended, is hereby further amended to read as
14 follows:

15 "Sec. 16. *Exemption from tax, legal process and lien* - All laws to the
16 contrary notwithstanding, the SSS and all its assets and properties, all
17 contributions collected and all accruals thereto and income or investment earnings
18 therefrom as well as all supplies, equipment, papers or documents shall be exempt
19 from any tax, assessment, fee, charge, or customs or import duty; and all benefit
20 payments made by the SSS shall likewise be exempt from all kinds of taxes, fees
21 or charges and shall not be liable to attachments, garnishments, levy or seizure
22 by or under any legal or equitable process whatsoever, either before or after
23 receipt by the person or persons entitled thereto, except to pay any debt of the
24 member to the SSS. No law, rules, regulations, opinions or any tax measure
25 heretofore or hereafter enacted or promulgated shall apply to the SSS, unless the
26 declared policy of the state in Section 2 hereof granting tax-exemption to the SSS

1 is expressly revoked. Any tax assessment against the SSS shall be null and void."

2 SEC. 20. Section 18 of R.A. No. 1161, as amended, is hereby further amended by
3 amending paragraph (a) to read as follows:

4 "SEC. 18. *Employee's Contribution.* - (a) Beginning as of the last day of
5 the calendar month when an employee's compulsory coverage takes effect and
6 every month thereafter during his employment, the employer shall deduct and
7 withhold from such employee's monthly salary, wage compensation or earnings,
8 the employee's contribution in an amount corresponding to his salary, wage,
9 compensation or earnings during the month in accordance with the following
10 schedule:

SALARY BRACKET	RANGE OF COMPENSATION	MONTHLY SALARY CREDIT	MONTHLY CONTRIBUTION		
			EMPLOYER	EMPLOYEE	TOTAL
I	₱ 1-1099.99	1000	50.70	33.30	84.00
II	1400-1749.99	1500	76.00	50.00	126.00
III	1750-2249.99	2000	101.30	66.70	168.00
IV	2250-2749.99	2500	126.70	83.30	210.00
V	2750-3249.99	3000	152.00	100.00	252.00
VI	3250-3749.99	3500	177.30	116.70	294.00
VII	3750-4249.99	4000	202.70	133.30	336.00
VIII	4250-4749.99	4500	228.00	150.00	378.00
IX	4750-5249.99	5000	253.30	166.70	420.00
X	5250-5749.99	5500	278.70	183.70	462.40
XI	5750-6249.99	6000	304.00	200.00	504.00
XII	6250-6749.99	6500	329.30	216.70	546.00
XIII	6750-7249.99	7000	354.70	233.30	588.00
XIV	7250-7749.99	7500	380.00	250.00	630.00
XV	7750-8249.99	8000	405.30	266.70	672.00
XVI	8250-8749.99	8500	430.70	283.30	714.00
XVII	8750-9249.99	9000	456.00	300.00	756.00

The foregoing schedule of contribution shall also apply to self-employed persons and voluntary members.

The maximum monthly salary credit shall be Nine thousand pesos effective January Nineteen hundred and ninety six: *Provided*, That it shall be increased by One thousand pesos every year thereafter until it shall have reached Twelve thousand pesos by Nineteen hundred and ninety nine: *Provided, further*, That the minimum and maximum monthly salary credits as well as the rate of contributions may be fixed from time to time by the Social Security Commission through rules and regulations taking into consideration actuarial calculations and rate of benefits, subject to the approval of the President of the Philippines."

SEC. 21. Section 19-A of R.A. No. 1161, as amended, is hereby further amended to read as follows:

"SEC. 19-A. *Contribution of the Self-employed.* - The contributions to the SSS of the self-employed member shall be determined in accordance with Section 18 of this Act: *Provided*, That the monthly earnings declared by the

1 self-employed member at the time of his registration with the SSS shall be
2 considered as his monthly compensation and he shall pay both the employer and
3 employee contributions."

4 "The monthly earnings declared by the self-employed member at the time
5 of his registration shall remain the basis of his monthly salary credit, unless he
6 makes another declaration of his monthly earnings, in which case such latest
7 declaration becomes the new basis of his monthly salary credit."

8 **SEC. 22.** Section 22-A of R.A. No. 1161, as amended, is hereby further amended to
9 read as follows:

10 "SEC. 22-A. *Remittance of Contributions of Self-employed.* -
11 Self-employed members shall remit their monthly contributions quarterly on such
12 dates and schedules, as the Commission may specify through rules and
13 regulations: *Provided,* That no retroactive payment of contributions shall be
14 allowed, except as provided in this section."

15 **SEC. 23.** Paragraphs (a), (b), (c), and (f) of Section 24 of R.A. No. 1161, as amended
16 are hereby further amended to read as follows:

17 "SEC. 24. *Employment Records and Reports.* - (a) Each employer shall
18 immediately report to the SSS the names, ages, civil status, occupations, salaries
19 and dependents of all his employees who are subject to compulsory coverage:
20 *Provided,* That if an employee subject to compulsory coverage should die or
21 become sick or disabled or reach the age of sixty without the SSS having
22 previously received any report or written communication about him from his
23 employer, the said employer shall pay to the SSS damages equivalent to the
24 benefits to which said employee member would have been entitled had his name
25 been reported on time by the employer to the SSS, except that in case of pension
26 benefits, the employer shall be liable to pay the SSS damages equivalent to the
27 accumulated pension due as of the date of settlement of the claim or to the five
28 years' pension, whichever is higher, including dependents' pension: *Provided,*
29 *further,* That if the contingency occurs within thirty (30) days from the date of
30 employment, the employer shall be relieved of his liability for damages:
31 *Provided, finally,* That any person or entity engaging the services of an
32 independent contractor shall be subsidiarily liable with such contractor for any
33 civil liability incurred by the latter under this Act."

34 "(b) Should the employer misrepresent the true date of employment of the
35 employee member or remit to the SSS contributions which are less than those

1 required in this Act or fail to remit any contribution due prior to the date of
 2 contingency, resulting in a reduction of benefits, such employer shall pay to the
 3 SSS damages equivalent to the difference between the amount of benefit to which
 4 the employee member or his beneficiary is entitled had the proper contributions
 5 been remitted to the SSS and the amount payable on the basis of the contributions
 6 actually remitted: *Provided*, That if, in such a case, the employee member or his
 7 beneficiary is entitled to pension benefits, the damages shall be equivalent to the
 8 accumulated pension due as of the date of settlement of the claim or to the five
 9 years' pension, whichever is higher including dependents' pension."

10 "In addition to the liability mentioned in the preceding paragraphs (a) and
 11 (b) hereof, the employer shall also be liable for the payment of the corresponding
 12 unremitted contributions and penalties thereon."

13 "(c) The records and reports duly accomplished and submitted to the SSS
 14 by the employee or the employer, as the case may be shall be kept confidential
 15 by the SSS except in compliance with a *subpoena duces tecum* issued by the
 16 Courts, shall not be divulged without the consent of the President or any official
 17 of the SSS duly authorized by him, shall be presumed correct as to the data and
 18 other matters stated therein, unless the necessary corrections to such records and
 19 reports have been properly made by the parties concerned before the right to the
 20 benefit being claimed accrues, and shall be made the basis for the adjudication of
 21 the claim. If as a result of such adjudication the SSS in good faith pays a
 22 monthly pension to a beneficiary who is inferior in right to another beneficiary
 23 or with whom another beneficiary is entitled to share, such payments shall
 24 discharge the SSS from liability unless and until such other beneficiary notifies
 25 the SSS of his claim prior to the payments."

26 X X X X X X

27 "(f) Notwithstanding any law to the contrary, microfilm, or non-erasable
 28 optical disk and other similar archival media copies of original SSS records and
 29 reports, or copies of such records and reports, duly certified by the official
 30 custodian thereof, shall have the same evidentiary value as the originals and be
 31 admissible as evidence in all legal proceedings."

32 **SEC. 24.** Section 24-A of R.A. No. 1161, as amended, is hereby further amended to
 33 read as follows:

34 "SEC. 24-A. *Report and Registration of the Self-employed.* - Each
 35 covered self-employed person shall, within thirty days from the effective date of

1 coverage, report to the SSS his name, age, civil status, and occupation, average
2 monthly net income and his dependents.

3 **SEC. 25.** Section 25 of R.A. No. 1161, as amended, is hereby further amended to read
4 as follows:

5 "SEC. 25. *Deposit and Disbursement.* - All money paid to or collected by
6 the SSS every year under this Act, and all accruals thereto, shall be deposited,
7 administered and disbursed in the same manner and under the same conditions
8 and requirements as provided by law for other public special funds: *Provided,*
9 That not more than 12 per cent of the total yearly contributions plus three per
10 cent of other revenues shall be disbursed for administrative and operational
11 expenses such as salaries and wages, supplies and materials, depreciation, and the
12 maintenance of branch and representative offices of the SSS: *Provided, further,*
13 That if the expenses in any year are less than the maximum amount permissible,
14 the difference shall not be availed of as additional expenses in the following
15 years."

16 **SEC. 26.** Section 26 of R.A. No. 1161, as amended, is hereby further amended by
17 amending the opening paragraph and paragraphs (a), (b), (d), (e), (f), (i), and (k), deleting
18 paragraph (c) and (j), and adding new paragraphs designated as the new paragraphs (b), (c), (j),
19 (k), (l), and (m), adding a new section designated as Section 26-A and redesignating paragraphs
20 (g) and (h) as paragraphs (a) and (b), respectively, of another new section designated as Section
21 26-B to read as follows:

22 "SEC. 26. *Investment of Reserve Funds.* - All revenues of the SSS that are
23 not needed to meet the current administrative and operational expenses incidental
24 to the carrying out of this Act shall be accumulated in a fund to be known as the
25 "Reserve Fund". Such portions of the Reserve Fund as are not needed to meet
26 the current benefit obligations thereof shall be known as the 'Investment Reserve
27 Fund' which shall, with the approval of the Commission, be invested with due
28 diligence and prudence in line with the basic principles of safety, yield, social and
29 economic utility, and liquidity to earn an average annual income close to the
30 average rate of treasury bills or any other acceptable market yield indicator, in
31 any or all of the following:

32 "(a) In bonds, securities, promissory notes or other evidence of
33 indebtedness of the Government of the Philippines, or in bonds, securities,
34 promissory notes or other evidence of indebtedness to which the full faith and
35 credit and unconditional guarantee of the Government of the Philippines is

1 pledged."

2 "(b) In bonds, securities, promissory notes or other evidence of
3 indebtedness of the Government of the Philippines or any of its agencies or
4 instrumentalities to finance domestic infrastructure projects such as roads,
5 bridges, ports, telecommunications, and similar projects: *Provided*, That the
6 instruments issued by an agency or instrumentality of the government shall be
7 guaranteed by the Government of the Philippines or any government financial
8 institution or acceptable multilateral agency: *Provided, further*, That the SSS shall
9 have priority over the revenues of the projects: *Provided, finally*, That such
10 investments shall not exceed thirty percent of the Investment Reserve Fund."

11 "(c) In bonds, securities, promissory notes or other evidence of
12 indebtedness of government financial institutions or government corporations with
13 acceptable credit or guarantee: *Provided*, That such investments shall not exceed
14 thirty percent of the Investment Reserve Fund."

15 "(d) In bonds, securities, deposits, promissory notes or other evidence of
16 indebtedness of any bank doing business in the Philippines and in good standing
17 with the *Bangko Sentral ng Pilipinas* to finance loans to private corporations
18 doing business in the Philippines, including schools, hospitals, small-and-medium
19 scale industries, cooperatives and non-governmental organizations, in which case
20 the collaterals or securities shall be assigned to the SSS, under such terms and
21 conditions as the Commission may prescribe: *Provided*, That in the case of bank
22 deposits, they shall not exceed at any time the unimpaired capital and surplus or
23 total private deposits of the depository bank, whichever is smaller: *Provided*,
24 *further*, That said bank shall first have been designated as a depository for this
25 purpose by the monetary board of the *Bangko Sentral ng Pilipinas*."

26 "(e) In bonds, securities, promissory notes or other evidence of
27 indebtedness of shelter agencies of the national government or financial
28 intermediaries to finance housing loans of SSS members;"

29 "and in short and medium term loans to members such as salary,
30 educational, livelihood, calamity and emergency loans and in long-term individual
31 or group housing loans giving priority to the low-income groups, up to a
32 maximum of ninety per cent of the appraised value of the properties to be
33 mortgaged by the borrowers: *Provided*, That not more than forty percent of the
34 Investment Reserve Fund at any time shall be invested for these purposes."

35 "(f) In bonds, securities, promissory notes or other evidence of

1 indebtedness of educational or medical institutions to finance the construction,
2 improvement and maintenance of schools and hospitals: *Provided*, That such
3 investments shall not exceed ten percent (10%) of the Investment Reserve Fund."

4 "(g) In real estate property and in other income-earning projects including
5 investments secured by first mortgages on real estate or other collaterals
6 acceptable to the SSS: *Provided*, That such projects and investments shall, in the
7 determination of the commission, redound to the benefit of the SSS, its members,
8 as well as the general public: *Provided, further*, That investment in real estate
9 property shall not exceed ten percent (10%) of the Investment Reserve Fund:
10 *Provided, finally*, That investments in other income-earning projects and
11 investments secured by first mortgages or other collaterals shall not exceed thirty
12 percent (30%) of the Investment Reserve Fund."

13 "(h) In bonds, debentures, securities, promissory notes or other evidence
14 of indebtedness of any prime corporation or multilateral institution to finance
15 domestic projects: *Provided*, That the issuing or assuming entity or its
16 predecessors shall not have defaulted in the payment of interest on any of its
17 securities and that during each of any three including the last two of the five
18 fiscal years next preceding the date of acquisition by the SSS of such bonds,
19 debentures, or other evidence of indebtedness, the net earnings of the issuing or
20 assuming institution available for its fixed charges, as hereinafter defined, shall
21 have been not less than one and one-quarter times the total of its fixed charges
22 for such year: *Provided, further*, That such investments shall not exceed thirty
23 percent of the Investment Reserve Fund."

24 As used in this section, the term 'net earnings available for fixed charges'
25 shall mean net income before income taxes plus non-cash charges such as
26 depreciation and depletion appearing in the regular financial statement of the
27 issuing or assuming institution. The term 'fixed charges' shall include interest
28 on funded and unfunded debt, amortization of debt discount, and rentals for
29 leased properties.

30 "(i) In preferred or common shares of stocks listed or about to be listed
31 in the stock exchange or options or warrants to such stocks or such other risk
32 management instruments of any prime or solvent corporation or financial
33 institution created or existing under the laws of the Philippines with proven track
34 record of profitability over the last three years and payment of dividends at least
35 once over the same period, and in preferred or common shares of stocks of any

1 or options or warrants to such stocks or other risk management instruments of a
 2 newly organized corporation: *Provided*, That investments in preferred or
 3 common shares of stocks of any corporation shall not exceed ten per cent of total
 4 outstanding preferred or common shares of stocks of such corporation: *Provided*,
 5 *further*, That in the case of a newly organized corporation, its principal
 6 stockholder has proven track record or profitability over the last three years and
 7 payment of dividends at least once over the same period, and at least twenty per
 8 cent of its preferred or common shares of stocks shall be immediately offered to
 9 the public: *Provided, further*, That investments in preferred or common shares
 10 of stocks which are not listed shall not exceed ten percent of the Investment
 11 Reserve Fund: *Provided, finally*, That such investments shall not exceed thirty
 12 percent of the Investment Reserve Fund."

13 "(j) In domestic or foreign mutual funds including investments related to
 14 the operations of mutual funds: *Provided*, That such investments shall not exceed
 15 twenty percent of the Investment Reserve Fund: *Provided, further*, That
 16 investments in foreign mutual funds shall not exceed ten percent of the investment
 17 reserve fund."

18 "(k) In foreign currency deposits or foreign currency-denominated debts,
 19 equities and other financial instruments or other assets issued in accordance with
 20 existing laws of the countries where such financial instruments are issued:
 21 *Provided*, That these instruments or assets are listed in bourses of the respective
 22 countries where these instruments or assets are issued: *Provided, further*, That
 23 the issuing company has proven track record of profitability: *Provided, finally*,
 24 That such investments shall not exceed ten percent (10%) of the Investment
 25 Reserve Fund."

26 "(l) In loans secured by such collaterals like cash, government securities
 27 or guarantees of multilateral institutions: *Provided*, That such investments shall
 28 not exceed thirty percent (30%) of the Investment Reserve Fund."

29 "(m) In other investment instruments with the same intrinsic quality as
 30 those enumerated in (a) to (l), subject to the policies and guidelines which the
 31 Commission may formulate: *Provided*, That no portion of the Investment Reserve
 32 Fund or income thereof shall accrue to the general fund of the national
 33 government or to any of its agencies or instrumentalities, including
 34 government-owned or controlled corporations, except as may be allowed under
 35 this Act: *Provided, further*, That no portion of the Investment Reserve Fund shall

1 be invested for any purpose or in any instrument, institution or industry over and
 2 above the prescribed ceilings as follows: 40% in private securities, 40% in
 3 housing and other short-term member loans, 30% in government financial
 4 institutions and corporations, 30% in infrastructure projects, and 15% in any
 5 particular industry."

6 "Section 26-a. *Fund managers.* - as part of its investment operations, the
 7 sss may appoint local or, in the absence thereof, foreign fund managers to
 8 manage the Investment Reserve Fund, as it may deem appropriate."

9 "Section 26-B. *Mortgagor insurance account* - (a) as part of its investment
 10 operations, the SSS shall act as insurer of all or part of its interest on SSS
 11 properties mortgaged to the SSS, or lives of mortgagors whose properties are
 12 mortgaged to the SSS. For this purpose, the sss shall establish a separate account
 13 to be known as the "mortgagors' insurance account". All amounts received by
 14 the SSS in connection with the aforesaid insurance operations shall be placed in
 15 the mortgagors' insurance account. The assets and liabilities of the mortgagors'
 16 insurance account shall at all times be clearly identifiable and distinguishable from
 17 the assets and liabilities in all other accounts of the SSS. Notwithstanding any
 18 provision of law to the contrary, the assets held in the mortgagors' insurance
 19 account shall not be chargeable with the liabilities arising out of any other
 20 business the SSS may conduct but shall be held and applied exclusively for the
 21 benefit of the owners or beneficiaries of the insurance contracts issued by the SSS
 22 under this paragraph."

23 "(b) the SSS may insure any of its interests or part thereof with any
 24 private company or reinsurer. The insurance commission or its authorized
 25 representatives shall make an examination into the financial condition and
 26 methods of transacting business of the SSS at least once in two (2) years, but such
 27 examination shall be limited to the insurance operation of the SSS as authorized
 28 under this paragraph and shall not embrace the other operations of the SSS; and
 29 the report of said examination shall be submitted to the Commission and a copy
 30 thereof shall be furnished the office of the President of the Philippines within a
 31 reasonable time after the close of the examination: *Provided*, That for each
 32 examination, the SSS shall pay to the insurance commission an amount equal to
 33 the actual expenses of the insurance commission in the conduct of the
 34 examination, including the salaries of the examiners and of the actuary of the
 35 insurance commission who have been assigned to make such examination for the

1 actual time spent in said examination: *Provided, further,* That the general law on
 2 insurance and the rules and regulations promulgated thereunder shall have
 3 suppletory application insofar as it is not in conflict with the SS Law and its rules
 4 and regulations."

5 **SEC. 27.** Section 27 of R.A. No. 1161, as amended, is hereby further amended to read
 6 as follows:

7 "SEC. 27. *Records and Reports.* - The President shall keep and cause to
 8 keep records of operations, of the funds of the SSS and of disbursements thereof
 9 and all accounts of payments made out of said funds. During the month of
 10 January of each year, the President shall prepare for submission to the President
 11 of the Philippines and to the Congress of the Philippines a report of operations
 12 of the SSS during the preceding year including statistical data on the number of
 13 persons covered and benefited, their occupations and employment status, the
 14 duration and amount of benefits paid, the finances of the SSS of the said year,
 15 and recommendations. He shall also cause to be published in two newspapers of
 16 general circulations in the Philippines a synopsis of the annual report, showing
 17 in particular the status of the finances of the SSS and the benefits administered."

18 **SEC. 28.** Section 28 of R.A. No. 1161, as amended, is hereby further amended by
 19 amending paragraphs (b), (c), (d) and (e) thereof, to read as follows:

20 "SEC. 28. *Penal Clause.* -

21 x x x

22 "(b) Whoever shall obtain or receive any money or check under this Act
 23 or any agreement thereunder, without being entitled thereto with intent to defraud
 24 any covered employee, employer or the SSS, shall be fined not less than five
 25 thousand pesos nor more than twenty thousand pesos and imprisoned for not less
 26 than six years and one day nor more than twelve years."

27 "(c) Whoever buys, sells, offers for sale, uses, transfers or takes or gives
 28 in exchange, or pledges or gives in pledge, except as authorized in this Act or in
 29 regulations made pursuant thereto, any stamp, coupon, ticket, book or other
 30 device, prescribed pursuant to Section 23 hereof by the Commission for the
 31 collection or payment of contributions required herein, shall be fined not less than
 32 five thousand pesos nor more than twenty thousand pesos, or imprisoned for not
 33 less than six years and one day nor more than twelve years, or both, at the
 34 discretion of the court."

35 "(d) Whoever, with intent to defraud, alters, forges, makes or counterfeits

1 any stamp, coupon, ticket, book or other device prescribed by the Commission
2 for the collection or payment of any contribution required herein, or uses, sells,
3 lends, or has in his possession any such altered, forged or counterfeited materials
4 or makes, uses, sells or has in his possession any such altered, forged material
5 in imitation of the material used in the manufacture of such stamp, coupon, ticket,
6 book or other device, shall be fined not less than five thousand pesos nor more
7 than twenty thousand pesos, or imprisoned for not less than six years and one day
8 nor more than twelve years, or both, at the discretion of the court."

9 "(e) Whoever fails or refuses to comply with the provisions of this Act or
10 with the rules and regulations promulgated by the Commission, shall be punished
11 by a fine of not less than five thousand pesos nor more than twenty thousand
12 pesos, or imprisonment for not less than six years and one day nor more than
13 twelve years of both, at the discretion of the court: *Provided*, That where the
14 violation consists in failure or refusal to register employees or himself, in case
15 of the covered self-employed, or to deduct contributions from the employees'
16 compensation and remit the same to the SSS, the penalty shall be a fine of not
17 less than five thousand pesos nor more than twenty thousand pesos and
18 imprisonment for not less than six years and one day nor more than twelve
19 years."

20 **SEC. 29.** A new section designated as Section 30 is hereby added, to read as follows:

21 "SEC. 30. *Transitory Clause.* - Any employer who is delinquent or has
22 not remitted all contributions due and payable to the SSS may, within six months
23 from the effectivity of this Act, remit said contributions or submit a proposal to
24 pay the same in installments within a period of not more than twelve months from
25 the effectivity of the act without incurring the prescribed penalty, subject to the
26 implementing rules and regulations which the Commission may prescribe:
27 *Provided*, That the employer submits the corresponding collection lists together
28 with the remittance or proposal to pay in installments: *Provided, further*, That
29 in case the employer fails to remit contributions within the six-month grace period
30 or default in the payment of any amortization provided in the approved proposal,
31 the prescribed penalty shall be imposed from the time the contributions first
32 became due as provided in Section 22 (a) hereof."

33 **SEC. 30.** Section 30 of R.A. No. 1161, as amended, is hereby further amended to read
34 as follows:

35 "SEC. 31. *Separability Clause.* - If any provision of this Act is declared

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1 invalid, the other provisions not affected thereby shall remain valid."

2 **SEC. 31.** Section 32 of R.A. No. 1161, as amended, is hereby further amended to read
3 as follows:

4 **"SEC. 32. *Repealing Clause.*** - All laws, proclamations, executive orders,
5 rules and regulations or parts thereof inconsistent with this Act are hereby
6 repealed, modified or amended accordingly: *Provided*, That no person shall be
7 deemed to be vested with any property or other right by virtue of the enactment
8 or operation of this Act."

9 **SEC. 32.** Section 33 of R.A. No. 1161, as amended, is hereby further amended to read
10 as follows:

11 **"SEC. 33. *Effectivity Clause.*** - This Act shall take effect fifteen (15) days
12 after its complete publication in the Official Gazette or in at least two (2) national
13 newspapers of general circulation whichever comes earlier."

14 Approved,