

REPUBLIC OF THE PHILIPPINES )  
TENTH CONGRESS OF THE PHILIPPINES)  
First Regular Session )

'95 JUL 13 P3:34

S E N A T E

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S. No. 866

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Introduced by Senator Maceda  
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**EXPLANATORY NOTE**

The prospect of retiring either from a private or government employment should be the most satisfying moment for every hard-working employee. This is because one who retires can look forward to spending as leisurely as possible the remaining days of his life, the duration of which may depend on his state of health. In most cases, retiring individuals always look forward to many years of enjoyable living.

In reality, however, many persons who have reached the retirement age find the prospect of retiring a discouraging experience because of the thought primarily that they will not be getting regular salaries anymore. Moreover, this is because also of the bad experiences of many who encounter hardship in finally getting their application for retirement approved either by the GSIS or by the SSS after a long period of time.

In the SSS, for example, they say the application form to retire usually requires only about four (4) supporting papers. However, an applicant is thereafter asked to reproduce and resubmit the same number of documents not only for the second time but also for the third time and maybe for the fourth time. They even say that the documents are asked to be presented on installment basis. In one case, for a mere clerical error of the employer in certifying that the retiring SSS covered member's last day in office was December 31, 1992 although it should have been December 31, 1991, the processing of his retirement application was delayed for more than one year, because it took this much time for the SSS to notify the retiring member in Bohol.

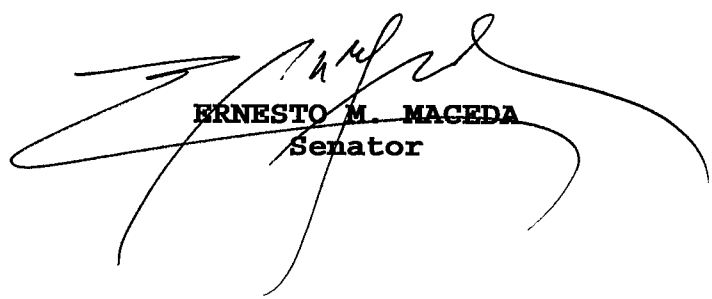
Such a clerical error could be ascertained by the SSS personnel if only they are mindful of the desired needs of the retiring members to get immediately their retiring benefits and pensions.

One can easily imagine the pains and disappointment experienced by a retiring member who cannot get his retirement benefits and pension because of the confusion in the documentations which could have been detected earlier by the SSS or the GSIS personnel with the exercise of due diligence. In practice, they say, the personnel in both offices do not have the sense of urgency in attending to the application for retirement of retiring members because of the absence of a law that mandates

the payment of retirement benefits and pension within a specified period of time and for lack of possible criminal liability on their part in the event that they become instrumental to the delay in the payment of such benefits.

We have heard the complaints of numerous retiring members from the GSIS and the SSS who appeal for assistance from our office to intervene for them so that their retirement benefits and pensions could be paid to them as early as possible. To end up this agonizing experience for our retiring employees, which could trigger a heart seizure or a stroke, the enclosed bill is hereby presented. As worded, the proposed measure mandates the payment of retirement benefits to SSS and GSIS members within a maximum period of thirty (30) days from the date of his retirement. Violation of this mandatory provision will make such responsible employee criminally liable and for which he could be sentenced to a one-year imprisonment plus a fine of Ten Thousand Pesos (P10,000.00).

In view of the foregoing considerations, the approval of the enclosed bill is hereby requested.

  
ERNESTO M. MACEDA  
Senator

LEL:hff

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AN ACT

MANDATING THE PAYMENT OF RETIREMENT BENEFITS TO SSS OR GSIS MEMBERS WITHIN A MAXIMUM PERIOD OF THIRTY (30) DAYS FROM THE RETIREMENT DATE AND FOR OTHER PURPOSES

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

1 SECTION 1. Any law to the contrary notwithstanding, the  
2 payment of retirement benefits and pensions to all members  
3 of the Social Security System (SSS) and the Government  
4 Service and Insurance System (GSIS) shall be made within a  
5 maximum period of thirty (30) days from the retirement date.

6 SEC. 2. The requirements for retirement in the SSS and  
7 in the GSIS shall be in simple forms and the retiring member  
8 shall be provided with the prompt assistance from said  
9 offices in the accomplishment of whatever requirements shall  
10 be needed as early as six (6) months prior to his retirement  
11 date.

12 SEC. 3. The penalty of one (1) year imprisonment and a  
13 fine of Ten thousand Pesos (P10,000.00) shall be imposed  
14 upon any person who shall violate any of the provisions of  
15 this Act.

16 SEC. 4. The respective boards of the SSS and the GSIS  
17 shall promulgate such rules and regulations necessary to  
18 implement the provisions of this Act within a period of  
19 three (3) months from the approval hereof.

20 SEC. 5. All laws, decrees, or executive issuances and

21 any rules and regulations or any part thereof which may be  
22 inconsistent with any of the provisions of this Act are  
23 hereby deemed repealed, amended, or modified accordingly.

24 SEC. 6. This Act shall take effect fifteen (15) days  
25 after its complete publication in two (2) newspapers of  
26 general publication.

Approved,

LEL:hff