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



# HOUSE OF REPRESENTATIVES 3304 House Bill No.

### Introduced by Representative Victor A. Yap

#### **EXPLANATORY NOTE**

Barangay is defined as the basic administrative division in our country. It has also been described to be the primary planning and implementing unit of government policies and programs. And, at the heart of this planning and implementation lies the significant role of barangay officials who are instrumental in directly delivering public service in the community.

Under Republic Act No. 8291, otherwise known as *The Government Service Insurance System (GSIS) Act of 1997*, membership in the GSIS shall be *compulsory* for all employees *receiving compensation*. However, it does not automatically include barangay officials as its members merely because Section 393 of the Local Government Code only provided that barangay officials shall only receive honoraria – not *compensation*.

While the creation of GSIS is anchored in promoting the efficiency and welfare of the government employees through social security and financial benefits, its amendment is earnestly needed to show that the Government gives due recognition to barangay officials for their contribution to a public service.

This bill seeks to amend R.A. 8291 by including barangay officials in the compulsory membership of the GSIS in recognition of their years of service and dedication to promote the welfare of the barangay and its residents. Through this compulsory membership, barangay officials, just like any other government employee, can now also be entitled to an array of social security benefits, such as life insurance benefits, separation or retirement benefits, and disability benefits under the law.

In view of the foregoing, approval of this measure is earnestly sought.

Representative, 2nd District of Tarlac

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#### AN ACT

SEEKING TO INCLUDE BARANGAY OFFICIALS IN THE COMPULSORY MEMBERSHIP OF THE GOVERNMENT SERVICE INSURANCE SYSTEM (GSIS), AMENDING FOR THIS PURPOSE RA 8291 AND APPROPRIATING FUNDS THEREFOR

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

SECTION 1. Declaration of Policy. - It is hereby declared the policy of the State to 1 promote the welfare and quality of life of our elective barangay officials. The State values 2 the services of its barangay officials and shall endeavor to provide them with insurance 3 coverage to ensure efficient and effective performance of their duties and functions. 4 SECTION 2. Barangay Officials. - For purposes of this Act, barangay officials shall 5 refer to the Punong Barangay and the Sangguniang Barangay Members, whether elected or 6 appointed in accordance with Section 45 of the Local Government Code. 7 SECTION 3. Section 2(d) of Republic Act No 8291 is hereby further amended to read 8 9 as follows: "SECTION 2. Definition of Terms. -10 XXX XXX XXX 11 (d) Employee or Member - Any person, receiving compensation while in the 12 service of an employer as defined herein, whether by election or appointment, irrespective of 13 status of appointment, including barangay and sanggunian officials WHETHER OR NOT 14 RECEIVING FIXED MONTHLY COMPENSATION; 15 XXX" XXX XXX 16 SECTION 4. Section 2(i) of the same Republic Act is hereby further amended to read 17 as follows: 18

"SECTION 2. Definition of Terms. -

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XXX XXX XXX
(i) Compensation – The basic pay or salary received by an employee, pursuant to his election/appointment, excluding per diems, bonuses, overtime pay, honoraria EXCEPTINTHE CASE OF BARANGAY AND SANGGUNIAN OFFICIALS, allowances and any other emoluments received in addition to the basic pay which are not integrated into the basic pay under existing laws;'
XXX XXX XXX"
<b>SECTION 5.</b> Compulsory Coverage. – All barangay officials shall be included in the compulsory membership of the Government Service and Insurance System under Section 3 of republic Act No. 8291.
SECTION 6. Implementing Rules and Regulations The Government Services and
Insurance System, in coordination and consultation with the Department of Interior and
Local Government, Liga ng mga Barangays and other agencies concerned, shall promulgate
and adopt such rules and guidelines as may be necessary for the proper implementation of this Act.
<b>SECTION 7.</b> The provinces, cities or municipalities, subject to the availability of funds of the local government unit, may opt to contribute or subsidize the monthly contributions of said barangay officials.
SECTION. 8. Repealing Clause All laws, decrees, executive orders, rules and

regulations or parts thereof inconsistent with the provisions of this Act are hereby repealed

43 Approved,

or modified accordingly.