

Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City, Metro Manila

SEVENTEENTH CONGRESS
First Regular Session

House Bill No. **3257**

HOUSE OF REPRESENTATIVES

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Introduced by **DIWA Party-list Representative Emmeline Y. Aglipay – Villar**

EXPLANATORY NOTE

Laws must be dynamic instruments, adaptable to the changing times. This is particularly true for statutes that set monetary benefits, due to inflation and changes in the cost of living. One of these statutes is the Social Security Law that provides a series of benefits including the monthly pensions of retirees. Section 12 of Republic Act No. 1161, which provides that the minimum monthly pension or annuity for retirees, has been amended several times in order to make the amount of the pension adequate for retirees. However, it has thus been nineteen (19) years since the Social Security Law was last amended, leaving the floor of retirees at a woefully inadequate level, and defeating the purpose of the Social Security Law, which is to provide for the financial security of those who have labored but may no longer do so.

In view of the social justice mandates of our Constitution, and in order to adequately provide for the well-being of the country's retirees, the attached bill -- filed as a counterpart of Senate Bill No. 145 with the support of its author, Senator Cynthia Villar -- mandates a P2,000.00 across-the-board increase in the minimum monthly pension of the country's retirees under the SSS.


EMMELINE Y. AGLIPAY – VILLAR
Representative, DIWA Party-list

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Introduced by **DIWA Party-list Representative Emmeline Y. Aglipay – Villar**

AN ACT

MANDATING A TWO THOUSAND PESO ACROSS-THE-BOARD INCREASE IN THE MONTHLY PENSION WITH CORRESPONDING ADJUSTMENT OF THE MINIMUM MONTHLY PENSION UNDER THE SOCIAL SECURITY SYSTEM, AMENDING FOR THIS PURPOSE SECTION 12 OF REPUBLIC ACT NO. 1161, AS AMENDED, OTHERWISE KNOWN AS THE SOCIAL SECURITY ACT OF 1997

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

SECTION 1. Any provision of law to the contrary notwithstanding, the Social Security Commission is hereby mandated to implement a Two thousand peso (P2,000.00) across-the-board increase in the monthly pension under the Social Security System.

SECTION 2. Section 12 of Republic Act No. 1161, as amended by Republic Act No. 2 8282, is hereby further amended to read as follows:

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

“(1) The sum of the following:

- i) Three hundred pesos (P300.00); plus
- ii) Twenty percent (20%) of the average monthly salary credit; plus
- iii) Two percent (2%) of the average monthly salary credit for each credited year of service in excess of ten (10) years; or

“(2) Forty percent (40%) of the average monthly salary credit; or

“(3) One thousand pesos (P1,000.00): *Provided*, That the monthly pension shall in no case be paid for an aggregate amount of less than sixty (60) months.

“(b) Notwithstanding the preceding paragraph, the minimum **MONTHLY** pension shall be [One thousand two hundred pesos (P1,200)] **THREE THOUSAND TWO HUNDRED PESOS (P3,200.00)** for members with at least ten (10) credited years of

service and [Two thousand four hundred pesos (P2,400.00)] **FOUR THOUSAND FOUR HUNDRED PESOS (P4,400.00)** for those with twenty (20) credited years of service.

SECTION 3. Any law, presidential decree or issuance, executive order, letter of instruction, administrative order, rule or and regulation inconsistent with the provisions of this Act is hereby repealed, modified or amended accordingly.

SECTION 4. 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, whichever comes earlier.

Approved,