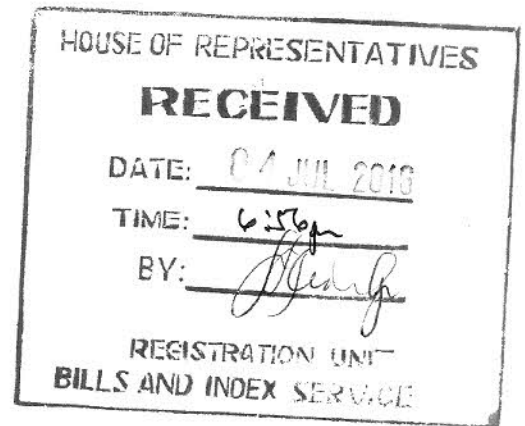


Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City

SEVENTEENTH CONGRESS
First Regular Session

HOUSE BILL NO. 1007



Introduced by BAYAN MUNA Rep. CARLOS ISAGANI T. ZARATE

AN ACT
INCREASING THE HONORARIUM AND CHRISTMAS BONUS OF BARANGAY
OFFICIALS, INCLUDING BARANGAY TANODS, AND MEMBERS OF THE LUPON
NG TAGAPAMAYAPA, AND GRANTING A LUMP SUM GRATUITY PAY
EQUIVALENT TO ONE HUNDRED THOUSAND PESOS (P100,000.00), AND OTHER
NON-MONETARY BENEFITS, AMENDING FOR THE PURPOSE SECTION 393 OF
REPUBLIC ACT No. 7160, AS AMENDED, OTHERWISE KNOWN AS THE LOCAL
GOVERNMENT CODE OF 1991

EXPLANATORY NOTE

While public officials in general, including elective officials, are given sufficient retirement pensions and other benefits, barangay officials all over the country are treated differently as they are not properly given the same.

This is surely unjust, if not violative of the equal protection clause of the Constitution, since Barangay officials fulfill a major public function in administering to the needs of the people in barangays. Yet, unlike other public officials they are left to fend for themselves once they leave office. Lest we forget, the barangay is the country's basic political unit, serving as the most accessible political institution of communities, thus, its officials are tirelessly and always being at the frontline of attending to their constituencies' needs and demands.

It is very likely that many of these officials do not have other jobs while serving as Barangay officials or have left their paying jobs in order to focus their attention on their work as Barangay officials. Worse, the pay of Barangay officials are way below the already very low minimum wage standards and are grossly inadequate to afford these officials some form of savings while they are in office. In fact, their honoraria are dismally incapable of feeding and maintaining their family.

These Barangay officials do not enjoy any form of social security upon leaving office as they do not have the means or the income to meet the rising cost of living, their increasing medical needs or just their day to day expenses. Instead of enjoying life during their retirement, these officials are forced to look for paying work as they worry about where their next meal will come from, or where they will get the funds for their maintenance medicine.

They deserve some form of benefit during their retirement days. Even those who are not yet of retirement age but who failed to retain their post, also deserve some form of benefit since they have also offered themselves to public service during their term, without receiving any salary.

This Bill seeks for the upliftment of the plight of our barangay officials and utmost recognition to their unwavering service to communities. This bill thereby aims to re-file House Bill 180, which sought to institute a Barangay Pension Fund, originally filed during the 16th Congress by Bayan Muna party list Representatives Neri Colmenares and Carlos Zarate, and expand the contents of the same by providing for the increase of honorarium and Christmas bonus, as well as non-monetary benefits of our barangay officials, in reference to the unnumbered substitute bill pending before the House Committee on Local Government. House Bill 180 was among the mother bills of the said unnumbered substitute bill entitled "*An Act Increasing The Honorarium And Christmas Bonus Of Barangay Officials, Including Barangay Tanods, And Members Of The Lupon Ng Tagapamayapa, And Granting A Lump Sum Gratuity Pay Equivalent To One Hundred Thousand Pesos (P100,000.00), And Other Non-Monetary Benefits , Amending For The Purpose Section 393 Of Republic Act No. 7160, As Amended, Otherwise Known As The Local Government Code Of 1991*"

It is surely unacceptable that while Congress allocates and the national government spends billions of pesos annually to fund the pension benefits of members of the Armed Forces of the Philippines (AFP), whose pension fund was squandered by its pension fund officials years ago, we have refused to do the same for the Barangay officials. Unlike the soldiers, these Barangay officials took on their job without any salary, so it is certainly unjust for government to deprive these officials of pension just because they have rendered public service for free!

In several hearings made by the Committee and the Technical working group (TWG), it was established that providing funding for Barangay pension is more than feasible. In fact, one of the pertinent provision of this bill is the institutionalization of a Lump Sum Gratuity Fund which is "equivalent to one percent of the share of the national government under Section 284 of the Local Government Code of 1991, as amended."

This bill would surely be one of the several legislative measures that could anchor and boost pension reform in this country. Congress must help end the discrimination and unfair treatment suffered by our Barangay officials, who unlike other government employees, are deprived of their basic right to social security and other benefits. The immediate passage of this Bill is strongly urged.

Approved,


Rep. CARLOS ISAGANI T. ZARATE
Bayan Muna Party-List

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

SECTION 1. This Act shall be known as *Barangay Retirement Gratuity Fund Act* of 2016.

SECTION 2. Section 393 of Republic Act No. 7160, as amended, otherwise known as the Local Government Code of 1991 is hereby amended to read as follows:

“SECTION 393. Benefits of Barangay Officials. – (a) Barangay officials, including barangay tanods and members of the Lupong Tagapamayapa, shall receive honoraria, allowances, and such other emoluments as may be authorized by law or barangay, municipal or city ordinance in accordance with the provisions of this Code, but in no case shall it be less than FIVE thousand pesos (P5,000.00) per month for the punong barangay and THREE THOUSAND pesos (P3,000.00) per month for the sangguniang barangay members. barangay treasurer and barangay secretary, AND TWO THOUSAND PESOS (P2000) FOR BARANGAY TANODS AND MEMBERS OF THE LUPON NG TAGAPAMAYAPA: *Provided, however,* That the annual appropriations for personal services shall be subject to the budgetary limitations prescribed under Title Five, Book II of this Code.

(b) The punong barangay, the sangguniang barangay members, the barangay treasurer, and the barangay secretary shall also:

(1) Be entitled to Christmas bonus of at least TWO thousand pesos (P2,000.00) each, the funds for which shall be taken from the general fund of the barangay or from such other funds appropriated by the national government for the purpose: *PROVIDED, HOWEVER, THAT BARANGAY TANODS AND MEMBERS OF THE LUPONG TAGAPAMAYAPA SHALL ALSO ENJOY THIS BENEFIT.*

(2) Be entitled, during their incumbency, to insurance coverage which shall include, but shall not be limited to temporary and permanent disability, double indemnity, accident insurance, death and burial benefits, in accordance with Republic Act Numbered Sixty-nine hundred forty-two (R.A. No. 6942), entitled "An Act Increasing the Insurance Benefits of Local Government Officials and Providing Funds Therefor;"

(3) Be entitled to free medical care, including subsistence, medicines, and medical assistance in any government hospital or institution: *Provided, That* such hospital care shall include surgery or surgical expenses, medicines, X-rays, laboratory fees, and other hospital expenses;

In case of extreme urgency where there is no available government hospital or institution, the barangay official concerned may submit himself for immediate attendance to the nearest private clinic, hospital or institution and the expenses not exceeding Five thousand pesos (P5,000.00) that may be incurred therein shall be chargeable against the funds of the barangay concerned.

BARANGAY OFFICIALS SHALL ALSO BE ENTITLED TO TEN PERCENT (10%) DISCOUNT, AND EXEMPTION FROM VALUE-ADDED TAX (VAT), IF APPLICABLE, ON THE SALE OF GOODS AND SERVICES FROM ALL ESTABLISHMENTS, PARTICULARLY ON THE PURCHASE OF MEDICINES, AND SUCH ESSENTIAL MEDICAL SUPPLIES, ACCESSORIES AND EQUIPMENT TO BE DETERMINED BY THE DEPARTMENT OF HEALTH (DOH), AND ON THE PROFESSIONAL FEES OF ATTENDING PHYSICIAN OR PHYSICIANS IN ALL PRIVATE HOSPITALS, MEDICAL FACILITIES, OUTPATIENT CLINICS AND HEALTH HOME CARE SERVICES

(4) Be exempted, during their incumbency, from paying tuition and matriculation fees for their legitimate dependent children attending state college or universities. He may likewise avail of such educational benefits in a state college or university located within the province or city to which the barangay belongs;

(5) Be entitled to appropriate civil service eligibility on the basis of the number of years of service to the barangay, pursuant to the rules and regulations issued by the Civil Service Commission;

(6) BE ENTITLED TO A LUMP SUM RETIREMENT GRATUITY PAY EQUIVALENT TO ONE (1) YEAR HONORARIUM, BUT IN NO CASE SHALL EXCEED ONE HUNDRED THOUSAND PESOS (P100,000.00) TO BE TAKEN FROM THE BARANGAY RETIREMENT GRATUITY FUND: *PROVIDED, HOWEVER, THAT A RETIREE IS AT LEAST SIXTY (60) YEARS OF AGE WITH A MINIMUM OF NINE (9) YEARS IN SERVICE AT THE TIME OF THE RETIREMENT;*

AS USED IN THIS SUB-SECTION, THE TERM "RETIREE" SHALL INCLUDE ALL BARANGAY OFFICIALS, INCLUDING BARANGAY TANODS AND MEMBERS OF THE LUPON NG TAGAPAMAYAPA;

(7) BE ENTITLED TO A FRANKING PRIVILEGE FOR THIS PURPOSE, BARANGAY OFFICIALS SHALL BE EXEMPT FROM THE PAYMENT OF POSTAGE ON ANY MAIL MATTER TO BE SENT TO GOVERNMENT AGENCIES, PUBLIC OFFICIALS AND PRIVATE INDIVIDUALS IN THE PERFORMANCE OF OFFICIAL FUNCTIONS; AND

(8) BE ENTITLED TO TWENTY PERCENT (20%) DISCOUNT IN TRANSPORTATION FARE, AND HOTEL ACCOMODATION CHARGE.

SECTION 3. *Barangay Retirement Gratuity Fund (BRGF) Created.* – There is hereby created a Barangay Retirement Gratuity Fund (BRGF) which shall be used to fund the retirement gratuity of barangay officials, including barangay tanods and members of the Lupon ng Tagapamayapa, as mentioned in this Act. The amount equivalent to one percent (1%) of the share of the national government under Section 284 of the Local Government Code of 1991, as amended shall be used for this purpose.

The Department of the Interior and Local Government (DILG) shall administer and ensure the appropriate disbursement of the Fund.

SECTION 4. *Repealing Clause.* – All laws, executive and administrative orders or parts thereof, inconsistent with any provision of this Act are hereby repealed or ammended accordingly.

SECTION 5. *Budgetary Appropriation.* – An initial amount of TWENTY MILLION PESOS (PhP 20,000,000.00) shall be appropriated from the General Appropriations Act for the establishment and operations of the Barangay Pension Council.

SECTION 6. This Act shall take effect after fifteen (15) days following the completion of its publication in the Official Gazette or in a national newspaper of general circulation.

Approved.