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Republic of the Philippines  
**HOUSE OF REPRESENTATIVES**  
Quezon City

**EIGHTEENTH CONGRESS**  
First Regular Session

**HOUSE BILL No. 5551**



**Introduced by**  
**BAYAN MUNA Rep. CARLOS ISAGANI T. ZARATE,**  
**FERDINAND R. GAITE and EUFEMIA C. CULLAMAT**

**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

1 their day to day expenses. Instead of enjoying life during their retirement, these officials are forced  
2 to look for paying work as they worry about where their next meal will come from, or where they  
3 will get the funds for their maintenance medicine.

4  
5 They deserve some form of benefit during their retirement days. Even those who are not yet of  
6 retirement age but who failed to retain their post, also deserve some form of benefit since they have  
7 also offered themselves to public service during their term, without receiving any salary.

8  
9 This Bill seeks for the upliftment of the plight of our barangay officials and utmost recognition to  
10 their unwavering service to communities. This bill thereby aims to re-file House Bill 180, which  
11 sought to institute a Barangay Pension Fund, originally filed during the 16<sup>th</sup> Congress by Bayan  
12 Muna party list Representatives Neri Colmenares and Carlos Zarate, and expand the contents of the  
13 same by providing for the increase of honorarium and Christmas bonus, as well as non-monetary  
14 benefits of our barangay officials, in reference to the unnumbered substitute bill pending before the  
15 House Committee on Local Government. House Bill 180 was among the mother bills of the said  
16 unnumbered substitute bill entitled "*An Act Increasing The Honorarium And Christmas Bonus Of Barangay*  
17 *Officials, Including Barangay Tanods, And Members Of The Lupon Ng Tagapamayapa, And Granting A Lump*  
18 *Sum Gratuity Pay Equivalent To One Hundred Thousand Pesos (P100,000.00), And Other Non-Monetary*  
19 *Benefits , Amending For The Purpose Section 393 Of Republic Act No. 7160, As Amended, Otherwise Known*  
20 *As The Local Government Code Of 1991*"

21  
22 It is surely unacceptable that while Congress allocates and the national government spends billions  
23 of pesos annually to fund the pension benefits of members of the Armed Forces of the Philippines  
24 (AFP), whose pension fund was squandered by its pension fund officials years ago, we have refused  
25 to do the same for the Barangay officials. Unlike the soldiers, these Barangay officials took on their  
26 job without any salary, so it is certainly unjust for government to deprive these officials of pension  
27 just because they have rendered public service for free!

28  
29 In several hearings made by the Committee and the Technical working group (TWG), it was  
30 established that providing funding for Barangay pension is more than feasible. In fact, one of the  
31 pertinent provision of this bill is the institutionalization of a Lump Sum Gratuity Fund which is  
32 "equivalent to one percent of the share of the national government under Section 284 of the Local  
33 Government Code of 1991, as amended."

34  
35 This bill would surely be one of the several legislative measures that could anchor and boost pension  
36 reform in this country. Congress must help end the discrimination and unfair treatment suffered by  
37 our Barangay officials, who unlike other government employees, are deprived of their basic right to  
38 social security and other benefits. The immediate passage of this Bill is strongly urged.

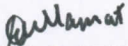
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REP. CARLOS ISAGANI T. ZARATE  
*Bayan Muna Partylist*

  
REP. FERDINAND R. GAITE  
*Bayan Muna Partylist*

  
REP. EUFEMIA C. CULLAMAT  
*Bayan Muna Partylist*

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2 **HOUSE OF REPRESENTATIVES**  
3 Quezon City

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6 First Regular Session

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17 **AN ACT**  
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22 **NON-MONETARY BENEFITS, AMENDING FOR THE PURPOSE SECTION 393 OF**  
23 **REPUBLIC ACT No. 7160, AS AMENDED, OTHERWISE KNOWN AS THE LOCAL**  
24 **GOVERNMENT CODE OF 1991**  
25

26  
27 *Be it enacted by the Senate and the House of Representatives of the Philippines in Congress assembled:*  
28

29 **SECTION 1.** This Act shall be known as **Barangay Retirement Gratuity Fund Act of 2019.**  
30

31 **SECTION 2.** Section 393 of Republic Act No. 7160, as amended, otherwise known as the Local  
32 Government Code of 1991 is hereby amended to read as follows:  
33

34 **“SECTION 393. Benefits of Barangay Officials.** – (a) Barangay officials, including  
35 barangay tanods and members of the Lupon Tagapamayapa, shall receive honoraria, allowances,  
36 and such other emoluments as may be authorized by law or barangay, municipal or city ordinance in  
37 accordance with the provisions of this Code, but in no case shall it be less than FIVE thousand  
38 pesos (P5,000.00) per month for the punong barangay and THREE THOUSAND pesos  
39 (P3,000.00) per month for the sangguniang barangay members. barangay treasurer and barangay  
40 secretary, AND TWO THOUSAND PESOS (P2000) FOR BARANGAY TANODS AND  
41 MEMBERS OF THE LUPON NG TAGAPAMAYAPA: *Provided, however,* That the annual  
42 appropriations for personal services shall be subject to the budgetary limitations prescribed under  
43 Title Five, Book II of this Code.  
44

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



1 (1) Be entitled to Christmas bonus of at least TWO thousand pesos (P2,000.00) each,  
2 the funds for which shall be taken from the general fund of the barangay or from such other funds  
3 appropriated by the national government for the purpose: *PROVIDED, HOWEVER, THAT*  
4 *BARANGAY TANODS AND MEMBERS OF THE LUPONG TAGAPAMAYAPA SHALL*  
5 *ALSO ENJOY THIS BENEFIT.*  
6

7 (2) Be entitled, during their incumbency, to insurance coverage which shall include, but  
8 shall not be limited to temporary and permanent disability, double indemnity, accident insurance,  
9 death and burial benefits, in accordance with Republic Act Numbered Sixty-nine hundred forty-two  
10 (R.A. No. 6942), entitled "An Act Increasing the Insurance Benefits of Local Government Officials  
11 and Providing Funds Therefor;"  
12

13 (3) Be entitled to free medical care, including subsistence, medicines, and medical  
14 assistance in any government hospital or institution: *Provided, That* such hospital care shall include  
15 surgery or surgical expenses, medicines, X-rays, laboratory fees, and other hospital expenses;  
16

17 In case of extreme urgency where there is no available government hospital or institution,  
18 the barangay official concerned may submit himself for immediate attendance to the nearest private  
19 clinic, hospital or institution and the expenses not exceeding Five thousand pesos (P5,000.00) that  
20 may be incurred therein shall be chargeable against the funds of the barangay concerned.  
21

22 BARANGAY OFFICIALS SHALL ALSO BE ENTITLED TO TEN PERCENT (10%)  
23 DISCOUNT, AND EXEMPTION FROM VALUE-ADDED TAX (VAT), IF APPLICABLE,  
24 ON THE SALE OF GOODS AND SERVICES FROM ALL ESTABLISHMENTS,  
25 PARTICULARLY ON THE PURCHASE OF MEDICINES, AND SUCH ESSENTIAL  
26 MEDICAL SUPPLIES, ACCESSORIES AND EQUIPMENT TO BE DETERMINED BY THE  
27 DEPARTMENT OF HEALTH (DOH), AND ON THE PROFESSIONAL FEES OF  
28 ATTENDING PHYSICIAN OR PHYSICIANS IN ALL PRIVATE HOSPITALS, MEDICAL  
29 FACILITIES, OUTPATIENT CLINICS AND HEALTH HOME CARE SERVICES  
30

31 (4) Be exempted, during their incumbency, from paying tuition and matriculation fees  
32 for their legitimate dependent children attending state college or universities. He may likewise avail  
33 of such educational benefits in a state college or university located within the province or city to  
34 which the barangay belongs;  
35

36 (5) Be entitled to appropriate civil service eligibility on the basis of the number of years  
37 of service to the barangay, pursuant to the rules and regulations issued by the Civil Service  
38 Commission;  
39

40 (6) BE ENTITLED TO A LUMP SUM RETIREMENT GRATUITY PAY  
41 EQUIVALENT TO ONE (1) YEAR HONORARIUM, BUT IN NO CASE SHALL EXCEED  
42 ONE HUNDRED THOUSAND PESOS (P100,000.00) TO BE TAKEN FROM THE  
43 BARANGAY RETIREMENT GRATUITY FUND: *PROVIDED, HOWEVER, THAT A*  
44 *RETIREE IS AT LEAST FIFTY SIX (56) YEARS OF AGE WITH A MINIMUM OF NINE (9)*  
45 *YEARS IN SERVICE AT THE TIME OF THE RETIREMENT;*  
46

1 AS USED IN THIS SUB-SECTION, THE TERM "RETIREE" SHALL INCLUDE ALL  
2 BARANGAY OFFICIALS, INCLUDING BARANGAY TANODS AND MEMBERS OF THE  
3 LUPON NG TAGAPAMAYAPA;  
4

5 (7) BE ENTITLED TO A FRANKING PRIVILEGE FOR THIS PURPOSE,  
6 BARANGAY OFFICIALS SHALL BE EXEMPT FROM THE PAYMENT OF POSTAGE ON  
7 ANY MAIL MATTER TO BE SENT TO GOVERNMENT AGENCIES, PUBLIC OFFICIALS  
8 AND PRIVATE INDIVIDUALS IN THE PERFORMANCE OF OFFICIAL FUNCTIONS;  
9 AND  
10

11 (8) BE ENTITLED TO TWENTY PERCENT (20%) DISCOUNT IN  
12 TRANSPORTATION FARE, AND HOTEL ACCOMODATION CHARGE.  
13

14 **SECTION 3. *Barangay Retirement Gratuity Fund (BRGF) Created.*** – There is hereby created  
15 a Barangay Retirement Gratuity Fund (BRGF) which shall be used to fund the retirement gratuity of  
16 barangay officials, including barangay tanods and members of the Lupon ng Tagapamayapa, as  
17 mentioned in this Act. The amount equivalent to one percent (1%) of the share of the national  
18 government under Section 284 of the Local Government Code of 1991, as amended shall be used  
19 for this purpose.  
20

21 The Department of the Interior and Local Government (DILG) shall administer and ensure the  
22 appropriate disbursement of the Fund.  
23

24 **SECTION 4. *Repealing Clause.*** – All laws, executive and administrative orders or parts thereof,  
25 inconsistent with any provision of this Act are hereby repealed or amended accordingly.  
26

27 **SECTION 5. *Budgetary Appropriation.*** – An initial amount of TWENTY MILLION PESOS  
28 (PhP 20,000,000.00) shall be appropriated from the General Appropriations Act for the  
29 establishment and operations of the Barangay Pension Council.  
30

31 **SECTION 6.** This Act shall take effect after fifteen (15) days following the completion of its  
32 publication in the Official Gazette or in a national newspaper of general circulation.  
33

34  
35 *Approved.*