

Republic of the Philippines
House of Representatives
Quezon City



SEVENTEENTH CONGRESS

First Regular Session

HOUSE BILL NO. **3904**

Introduced by Representative Lord Allan Jay Q. Velasco

AN ACT INCREASING PENSIONS UNDER THE SOCIAL SECURITY SYSTEM,
AMENDING FOR THE PURPOSE SECTION 12 OF R.A. 1161, AS AMENDED,
OTHERWISE KNOWN AS THE SOCIAL SECURITY LAW

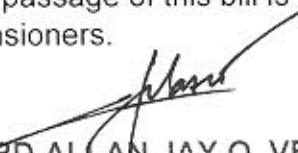
EXPLANATORY NOTE

Under Republic Act No. 8262 or the Social Security Act, members with at least ten (10) credited years of service are provided a monthly pension of P1,200 while those with twenty (20) credited years are given P2,400.

With the rise in the cost of living, especially in the prices of medicines and other prime commodities, these amounts are inadequate to meet the needs of the member pensioners.

It is imperative, in the light of the Social Justice policy enshrined in the Constitution, to adjust the SSS pension rates to make them fairly responsive to the basic necessities of private employment retirees.

The early passage of this bill is earnestly sought to provide immediate relief to the needs of our pensioners.


REP. LORD ALLAN JAY Q. VELASCO

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

SECTION 1. Section 12 of Republic Act No. 1161, as amended by Republic Act No.
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); 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): 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)] ONE THOUSAND SEVEN HUNDRED
PESOS (P1,700) for members with at least ten (10) credited years of service and [Two
thousand four hundred pesos (P2,400)] THREE THOUSAND FOUR HUNDRED
PESOS (P3,400) for those with twenty (20) credited years of service.

"THREE (3) YEARS AFTER THE IMPLEMENTATION OF THIS ACT, THE SAID AMOUNTS SHALL BE INCREASED BY AT LEAST FIVE HUNDRED PESOS (P500) FOR MEMBERS WITH AT LEAST TEN (10) CREDITED YEARS OF SERVICE AND AT LEAST ONE THOUSAND PESOS (P1,000) FOR MEMBERS WITH AT LEAST TWENTY (20) CREDITED YEARS OF SERVICE.

"THE COMMISSION SHALL EQUITABLY AND PROPORTIONATELY ADJUST THE MONTHLY PENSION OF OTHER ENTITLED MEMBERS OR BENEFICIARIES TO PRESERVE THE INTEGRITY AND FAIRNESS OF THE PENSION PROGRAM."

SEC. 2. Separability Clause. – Should any provision of this Act or any part thereof be declared invalid, the other provisions, so far as they are separable from the invalid ones, shall remain in force and effect.

SEC. 3. Repealing Clause. – Any law, presidential decree or issuance, executive order, letter of instruction, administrative order, rule or regulation inconsistent with this Act is hereby repealed, modified or amended accordingly.

SEC. 4. Effectivity Clause. – This Act shall take effect fifteen (15) days after its publication in at least two (2) newspapers of general circulation.

Approved,