

Republic of the Philippines
House of Representatives
Quezon City

SEVENTEENTH CONGRESS
First Regular Session

HOUSE BILL NO. **2765**

HOUSE OF REPRESENTATIVES

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Introduced by Representative EDGAR R. ERICE

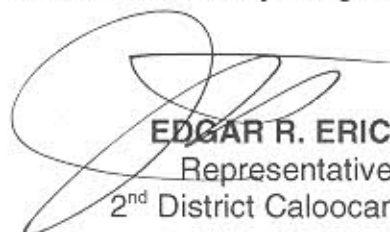
EXPLANATORY NOTE

The importance of government officials and employees in the government's role of delivering public services cannot be overemphasized. The government relies heavily on these officials and employees to oversee and actually perform the services ought to be delivered by the government to its constituents.

During the period of their services to the government, it was not unheard of that these officials and employees are oftentimes made the subject of different forms of harassment, such as filing of patently baseless criminal, civil or administrative cases which, more often than not, take several years to resolve. It is also of common knowledge that for those retiring and resigning officials and employees, the release of their retirement benefit, separation pay and other benefits would be withheld until such time that the cases filed against them in connection with their government functions were dismissed with finality. The value, however, of the benefits that these exonerated officials and employees would eventually receive were substantially diminished due to inflation and rising cost of living.

This bill seeks to remedy the glaring injustice and unfairness being done to innocent government officials and employees who have dedicated their lives to public service by ensuring that the value of the benefits they would eventually receive after their exoneration would not be unnecessarily diminished. Under this House Bill, the benefits of exonerated government officials and employees would earn compounded interest at the legal interest rate per annum from the date of withholding to the date of the finality of dismissal of the cases filed against them.

In view of the foregoing, the passage of this bill is earnestly sought.


EDGAR R. ERICE
Representative
2nd District Caloocan City

Republic of the Philippines
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HOUSE BILL NO. 2765

Introduced by Representative EDGAR R. ERICE

AN ACT

MANDATING THE IMPOSITION OF COMPOUNDED INTEREST ON THE RETIREMENT BENEFITS, SEPARATION PAY AND OTHER AMENITIES OF RETIRED OR RESIGNED GOVERNMENT OFFICIALS AND EMPLOYEES WHO WERE EXONERATED OR CLEARED FROM CRIMINAL, CIVIL OR ADMINISTRATIVE LIABILITY WITH FINALITY FILED IN CONNECTION WITH THEIR FUNCTIONS AND RESPONSIBILITIES.

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

Section 1. Declaration of Policy. -- It is hereby declared a policy of the state to give ample protection to government officials and employees who, in the diligent performance of their duties and responsibilities, are exposed to and recipients of indiscriminate filing of cases for the purpose of harassment.

Sec. 2. Objectives. -- Pursuant to the above declared policy, retiring or resigning government officials and employees against whom criminal, civil or administrative cases were filed but were eventually exonerated or cleared therefrom shall receive their retirement benefits, separation pay and other amenities with compounded interest prevailing at the time of the final termination of the case for the whole period said benefits were withheld by reason of pendency of such case/s.

Sec. 3. Interest Rate. -- The interest provided in Sec. 2 shall be at the legal interest rate.

Sec. 4. Funds to Cover Compounded Interest. -- The additional amount needed to cover the interest payment shall be taken from the retirement/separation fund and budgetary savings of the agency or office concerned.

Sec. 5. Implementing Rules and Regulations. -- The Civil Service Commission, together with the Department of Budget and Management and the Department of Finance, in coordination with the accredited public sector employees or labor unions, shall prepare and issue the implementing rules and regulations necessary for the effective and efficient implementation of this act.

Sec. 6. Repealing Clause.-- All other laws, decrees, proclamations, and regulations inconsistent with this Act are hereby considered repealed, amended or modified accordingly.

Sec.7. Effectivity. -- This Act shall take effect after fifteen (15) days following its publication in the Official Gazette or in at least two (2) national newspapers of general circulation, whichever comes earlier.

Approved,