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SEVENTEENTH CONGRESS OF THE)
REPUBLIC OF THE PHILIPPINES)
First Regular Session)

RECEIVED BY: J

SENATE

S. B. No. 1409

Introduced by Senator Loren B. Legarda

AN ACT TO FURTHER STRENGTHEN THE OFFICE OF THE SOLICITOR GENERAL BY PROVIDING FOR ITS POWERS AND FUNCTIONS, AND REDEFINING, EXPANDING, AND RATIONALIZING ITS ORGANIZATION, THEREBY AMENDING REPUBLIC ACT NO. 9417 AND REPEALING REPUBLIC ACT NO. 2327, EXECUTIVE ORDER NOS. 1 AND 2, S. 1986, AND ALL RELATED LAWS, AND APPROPRIATING FUNDS THEREFOR AND FOR OTHER RELATED PURPOSES

EXPLANATORY NOTE

This bill expands the powers and functions of the Office of the Solicitor General to include those that were exercised by the Office of the Government Corporate Counsel (OGCC) and the Presidential Commission on Good Government (PCGG). For instance, the OSG shall review all GOCC contracts prior to their execution and enforce the Property Insurance Law. These functions are currently performed by the OGCC as the principal law office of all GOCCs pursuant to Chapter 3, Section 10 of the Revised Administrative Code of 1987. The OSG's exercise of these functions will simply be a necessary offshoot of the abolition of the OGCC and the transfer of all the powers and functions of the latter office to the OSG, as provided in this bill.

Likewise, the OSG shall have the power to grant immunity from criminal prosecution to any person who provides information or testifies in any investigation previously conducted by the PCGG or future cases investigated by the OSG, to establish the unlawful manner in which any respondent, defendant or accused has acquired or accumulated ill-gotten wealth, in any case where such information or testimony is necessary to ascertain or prove the latter's guilt or his civil liability. The PCGG is vested with this power pursuant to Section 5 of Executive Order No. 14, as amended by E.O. 14-A, s. 1986. The OSG's exercise of this power will simply be a necessary offshoot

of the abolition of the PCGG and the transfer of all its powers and functions to the OSG, as provided in this bill. Moreover, this immunity shall pertain only to cases involving ill-gotten wealth. Hence, it will not unduly interfere with the DOJ's power to grant immunity from criminal prosecution under the Witness Protection Program.

The increase in the OSG's share in monetary awards or assets granted by courts or tribunals to client departments and assets adjudged to the government in forfeiture proceedings will significantly augment the office's funds to ensure proper implementation of the proposed law, particularly the expanded benefits provided therein, without being overly dependent on the annual appropriations. This can, in the long run, enhance the proposed fiscal autonomy for the office and lessen the need for appropriations from the national government's budget. Moreover, the twenty percent (20%) share provided in this bill conforms to the present rate of success fees recovered by private law firms.

During the holdover period, the Solicitor General can determine the actual number of additional lawyers and administrative personnel required to handle the office's increased workload. OGCC and PCGG lawyers and personnel may apply for the needed positions, without prejudice to their entitlement to full retirement gratuity and pension pursuant to applicable laws, or separation pay, as the case may be, as provided in this bill.

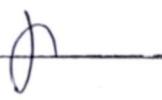
In view of the foregoing reasons, the expeditious approval of this bill is earnestly sought.



LOREN LEGARDA

Senator

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

1 **SECTION 1. Short Title.** — This Act shall be known as the
2 “Office of the Solicitor General Charter.”

3 **SECTION 2. Declaration of Policy.** — It is the declared policy
4 of the State to strengthen the Office of the Solicitor General
5 (OSG) in order to fulfill its role of upholding the best interest of
6 the government as the Tribune of the People, as well as to
7 perform its mandate as the principal law office of the
8 Government of the Republic of the Philippines representing the
9 Government, its departments, bureaus, agencies, and
10 instrumentalities, and its officials and agents in their official
11 capacity, in any litigation, proceeding, investigation, or matter
12 requiring the services of lawyers.

13 It is also the policy of the State to ensure efficiency and economy
14 in the operations of government, eliminate the overlapping of
15 functions, consolidate the legal services in the government into
16 one office, effectively address the expanding needs of
17 government-owned and -controlled corporations (GOCCs)
18 towards the improvement of fiscal management and good
19 corporate governance, and concentrate and enhance government
20 efforts for the full and effective recovery of ill-gotten wealth and
21 properties, including the efficient investigation and prosecution
22 of cases relative thereto. Towards this end, the Office of the

1 Government Corporate Counsel (OGCC) and the Presidential
2 Commission on Good Government (PCGG) are hereby abolished
3 and their respective powers and functions are transferred to the
4 OSG.

5 With the transfer of the powers and functions of the OGCC and
6 the PCGG to the OSG, and to ensure the efficient and effective
7 legal representation of the Government, its departments,
8 bureaus, agencies, and instrumentalities, GOCCs, and its
9 officials and agents in their official capacity, the members of the
10 legal and administrative staff of the OSG shall be increased and
11 their positions upgraded to adequately meet the Republic's
12 burgeoning need for legal services. The skills of OSG lawyers
13 shall be further improved, and the benefits of all OSG employees
14 augmented. The professional growth of these employees shall be
15 encouraged. (n)

16 **SECTION 3. *Definition.*** – For purposes of this Act, the term—

17 (a) “Capacity development” shall refer to the process
18 whereby the OSG, as an organization, develops its capability
19 over time to achieve development goals while enhancing its
20 ability to achieve measurable and sustainable results, through
21 improvement of knowledge, skills, and systems.

22 (b) “GOCCs” shall refer to government-owned and -
23 controlled corporations, their subsidiaries, other corporate
24 offsprings, including government-acquired asset corporations,
25 government corporate entities and government instrumentalities
26 with corporate powers, government financial institutions, and
27 other government corporate entities, agencies and offices.

28 (c) “Ill-gotten wealth” shall refer to any asset, property,
29 business enterprise or material possession of the persons
30 referred to in Executive Orders Nos. 1 and 2, s. 1986, acquired
31 by them directly, or indirectly through dummies, nominees,
32 agents, subordinates, and/or business associates by any of the
33 following means or similar schemes:

- 34 (1) through misappropriation, conversion,
35 misuse, or malversation of public funds
36 or raids on the public treasury;
37 (2) through the receipt, directly or
38 indirectly, of any commission, gift,
39 share, percentage, kickbacks, or any
40 other form of pecuniary benefit from
41 any person and/or entity in connection
42 with any government contract or project
43 or by reason of the office or position of
44 the official concerned;

- (3) by the illegal or fraudulent conveyance or disposition of assets belonging to the government or any of its subdivisions, agencies or instrumentalities, or government-owned or controlled corporations;
 - (4) by obtaining, receiving, or accepting directly or indirectly any shares of stock, equity, or any other form of interest or participation in any business enterprise or undertaking;
 - (5) through the establishment of agricultural, industrial, or commercial monopolies or other combination and/or by the issuance, promulgation, and/or implementation of decrees and orders intended to benefit particular persons or special interests; and
 - (6) by taking undue advantage of official position, authority, relationship, or influence for personal gain or benefit.

22 **SECTION 4. *Organizational Structure.*** – The Office of the
23 Solicitor General shall be an independent and autonomous office
24 attached to the Office of the President for budgetary purposes.

25 The OSG shall be headed by the Solicitor General, who is the
26 principal law officer and legal defender of the Government. He
27 shall have the authority and responsibility for the exercise of the
28 OSG's mandate and for the discharge of its duties and functions,
29 and shall have supervision and control over the OSG and its
30 constituent units.

31 The Solicitor General shall be assisted by a Legal Staff composed
32 of Assistant Solicitors General and such number of Solicitors as
33 may be necessary to operate the OSG.

34 There shall be at least fifty (50) legal divisions in the OSG. Each
35 division, headed by an Assistant Solicitor General, shall consist
36 of at least ten (10) lawyers and such other personnel as may be
37 necessary for the OSG to effectively carry out its functions.

The administrative structure of the OSG shall be organized into the Financial Management Service, Docket Management Service, Case Management Service, Human Resources Management and Administrative Service, and Budget and Planning Service, which shall be composed of the necessary divisions and sections. Each Service shall be headed by a Director, who shall be appointed by the President.

1 There shall be an Office of Legal Services (OLS) within the OSG
2 to be headed by a Chief Legal Officer, who shall be a lawyer,
3 appointed by the Solicitor General and serve at the latter's
4 pleasure. The qualifications, salary grade, and benefits of the
5 Chief Legal Officer and his/her legal staff shall be determined by
6 the Solicitor General. The Chief Legal Officer shall be assisted by
7 such other personnel as may be necessary to effectively carry
8 out the functions of the OLS.

9 **SECTION 5. Powers and Functions.** – The OSG shall represent
10 the Government of the Philippines, its agencies and
11 instrumentalities, including GOCCs, and its officials and agents
12 acting in their official capacity, in any litigation, proceeding,
13 investigation, or matter requiring the services of a lawyer. The
14 OSG shall constitute the principal law office of the Government
15 and, as such, shall discharge duties requiring the services of a
16 lawyer. It shall have the following specific powers and functions:

17 (a) represent the Government and the People of the
18 Philippines in the Supreme Court and the Court of Appeals in all
19 criminal proceedings; represent the Government and its officers
20 in the Supreme Court, the Court of Appeals, and all other courts
21 or tribunals in all civil actions and special proceedings in which
22 the Government has been impleaded as a party, or any official of
23 the Government sued in the lawful performance of duty.

24 (b) investigate, initiate court action, or in any manner
25 proceed against any person, corporation, or firm for the
26 enforcement of any contract, bond, guarantee, mortgage, pledge,
27 or other collateral executed in favor of the Government.

28 (c) appear in any court in any action involving the
29 validity of any treaty, law, executive order or proclamation, or
30 rule or regulation when in his judgment his intervention is
31 necessary or when requested by the Court.

32 (d) appear in all proceedings involving the acquisition
33 or loss of Philippine citizenship.

34 (e) represent the Government in all land registration
35 and related proceedings. Institute actions for the reversion to the
36 Government of lands of the public domain and improvements
37 thereon as well as lands held in violation of the Constitution.

38 (f) conciliate, mediate, settle, or adjudicate all disputes,
39 claims, and controversies solely between or among the
40 departments, bureaus, offices, agencies, and instrumentalities of
41 the National Government, including GOCCs.

1 (g) render opinion and advice on matters referred by
2 the departments, bureaus, offices, agencies, and
3 instrumentalities of the National Government, including GOCCs.

4 (h) prepare, upon request of the President or other
5 proper officer of the National Government, rules and guidelines
6 for government entities governing the preparation of contracts,
7 making of investments, undertaking of transactions, and
8 drafting of forms or other documents needed for official use, for
9 the purpose of facilitating their enforcement and ensuring that
10 they are entered into or prepared conformably to law and for the
11 best interests of the public.

12 (i) deputize, whenever in the opinion of the Solicitor
13 General the public interest requires, any provincial or city
14 prosecutor to assist him in the performance of any function or
15 discharge of any duty incumbent upon him, within the
16 jurisdiction of the aforesaid provincial or city prosecutor. When
17 so deputized, the prosecutor shall be under the control and
18 supervision of the Solicitor General with regard to the conduct of
19 the proceedings assigned to the prosecutor, and he may be
20 required to render reports or furnish information regarding the
21 assignment.

22 (j) Any law to the contrary notwithstanding, the OSG
23 shall be the legal counsel and principal law office of all GOCCs.
24 All GOCCs shall refer to the OSG the following:

25 (i) before their execution, all contracts for review;
26 and

27 (ii) all cases for representation before regular
28 courts, quasi-judicial bodies, administrative
29 agencies, and arbitral tribunals, *Provided That*
30 the Solicitor General may thereafter authorize
31 the GOCC's legal department because of
32 urgency or expediency to appear as
33 collaborating counsel to handle GOCC's cases.

34 As legal counsel of all GOCCs, the OSG shall also perform the
35 following functions:

36 (1) exercise control and supervision over the legal
37 departments of all GOCCs through designated Assistant
38 Solicitors General and Solicitors;

39 (2) exercise visitorial powers over GOCCs;

40 (3) replace the OGCC as *ex-officio* member in the
41 Property Insurance Fund and enforce the Property

1 Insurance Law pursuant to Republic Act No. 656, as
2 amended by Presidential Decree 245, in domestic or
3 international transactions;

4 (4) conduct periodic performance audits of the in-
5 house lawyers or legal departments of the GOCCs and to
6 recommend appropriate actions to GOCCs;

7 (5) require the in-house lawyers or legal
8 departments of GOCCs to submit periodic reports of work
9 performed and/or accomplished and to supervise and
10 control the necessary legal action; and

11 (6) perform other functions as maybe provided by
12 law and such additional tasks as may be required by the
13 GOCCs, with the conformity of the Solicitor General. (n)

14 (k) deputize legal officers of government departments,
15 bureaus, agencies, offices, and GOCCs to assist the Solicitor
16 General and appear or represent the Government in cases
17 involving their respective offices, brought before the courts, and
18 exercise supervision and control over such legal officers with
19 respect to such cases.

20 (l) call on any department, bureau, office, agency, or
21 instrumentality of the Government, including any GOCC, for
22 such service, assistance, and cooperation as may be necessary
23 in fulfilling its functions and responsibilities and for this
24 purpose enlist the services of any government official or
25 employee in the pursuit of his tasks.

26 Departments, bureaus, agencies, offices, instrumentalities, and
27 GOCCs to whom the OSG renders legal services are authorized
28 to disburse funds from their sundry operating and other funds
29 for the OSG. For this purpose, the Solicitor General, Assistant
30 Solicitors General, Senior State Solicitors, State Solicitors, and
31 Associate Solicitors are specifically authorized to receive
32 allowances as may be provided by the Government offices,
33 instrumentalities, and GOCCs concerned, in addition to their
34 regular compensation. (rf. 1987 Administrative Code, Book IV,
35 Title III, Chapter 12, Sec. 35 (9))

36 (m) The powers and functions of the PCGG are hereby
37 transferred to the OSG which include the following:

38 (1) file and prosecute all cases investigated by
39 the PCGG under Executive Order No. 1, dated
40 28 February 1986, Executive Order No. 2,
41 dated 12 March 1986, and Executive Order

No. 432, dated 26 May 2005, as may be warranted by its findings;

- (2) continue handling cases relative to the recovery of ill-gotten wealth and behest loans;

- (3) grant immunity from criminal prosecution to any person who provides information or testifies in any investigation previously conducted by the PCGG or future cases investigated by the OSG involving ill-gotten wealth, to establish the unlawful manner in which any respondent, defendant or accused has acquired or accumulated the property or properties in question in any case where such information or testimony is necessary to ascertain or prove the latter's guilt or his civil liability. The immunity thereby granted shall be continued to protect the witness who repeats such testimony before the Sandiganbayan when required to do so; and

- (4) call upon any department, bureau, office, agency, instrumentality or corporation of the government, or any officer or employee thereof, for such assistance as it may need in the discharge of its functions relative to recovery of ill-gotten wealth and behest loans;

- (n) represent, upon the instructions of the President, the Republic of the Philippines in international litigations, negotiations, or conferences where the legal position of the Republic must be defended or presented;

- (o) subject to the approval of the President, engage the services of counsel to assist in the discharge of his duties and responsibilities in cases requiring highly specialized legal skills, knowledge or expertise, including but not limited to foreign arbitrations and litigations. However, due to the fiduciary nature of the relationship between the OSG and the counsel, the engagement of the latter shall be exempt from Republic Act No. 9184 (Government Procurement Reform Act).

- (p) act and represent the Republic and the people before any court, tribunal, body, or commission in any matter, action, or proceeding which, in his

opinion, affects the welfare of the people as the ends of justice may require;

(q) acquire, own, hold, or lease real and personal property; sell or otherwise dispose of the same; enter into contracts including loan agreements and joint venture agreements; and do and perform any and all acts that may be necessary or proper to carry out the purposes of this Act; (n)

9 (r) provide a Legal Internship Program to help law
10 students prepare and train for and experience legal
11 practice in public service. (n)

SECTION 6. Abolition of the Office of the Government Corporate Counsel and the Presidential Commission on Good Government. - The legal representation of the Government, its agencies, and instrumentalities, including GOCCs, and officials and agents acting in their official capacity, and the powers and functions of the PCGG shall be consolidated in the OSG, the principal law office and legal defender of the Government. For this purpose, the OGCC and the PCGG are hereby abolished, and all the powers and functions of said Offices which are not inconsistent with the provisions of this Act are hereby transferred to the OSG.

25 After settlement of its liabilities, if any, all budgetary
26 appropriations, funds, properties, records, equipment, rights,
27 choses in action, and other assets of the OGCC and the PCGG
28 are hereby transferred to the OSG.

29 **SECTION 7. Appointments.** – The Solicitor General shall be
30 appointed by the President.

31 The Assistant Solicitors General, Senior State Solicitors, and
32 State Solicitors shall be appointed by the President upon
33 recommendation of the Solicitor General. Associate Solicitors
34 shall be appointed by the Solicitor General.

35 The Financial Management Service, Docket Management
36 Service, Case Management Service, Human Resources
37 Management and Administrative Service, and Budget and
38 Planning Service shall each be headed by a Director to be
39 appointed by the President upon the recommendation of the
40 Solicitor General. The Service Heads shall possess the necessary
41 CES eligibility and qualifications for the position prescribed

1 under pertinent civil service laws, rules, and regulations:
2 *Provided*, that if a Service Head who does not possess the
3 necessary eligibility and qualifications is occupying the position
4 at the time of the effectivity of this Act, he or she shall continue
5 to perform such functions as officer-in-charge and shall have a
6 maximum of two (2) years to comply with the said eligibility and
7 qualifications: *Provided, further*, that if the Service Head fails or
8 is unable to meet the eligibility and qualifications for the
9 position after the lapse of two (2) years from effectivity of this
10 Act, he or she shall be *ipso jure* removed from said position. (n)

11 Administrative personnel in the OSG shall be appointed by the
12 Solicitor General.

13 **SECTION 8. Standards.** – The Solicitor General shall have the
14 rank of a Cabinet Secretary and the same qualifications for
15 appointment, rank, category, prerogatives, salaries, allowances,
16 emoluments, privileges, retirement-and all other benefits of an
17 Associate Justice of the Supreme Court; an Assistant Solicitor
18 General, those of an Associate Justice of the Court of Appeals.

19 The qualifications for appointment, rank, category, prerogatives,
20 salaries, allowances, emoluments, privileges, retirement and all
21 other benefits of Solicitors shall be the same as judges, specified
22 as follows:

Senior State Solicitor – Regional Trial Court Judge

State Solicitor II – Metropolitan Trial Court Judge

23 State Solicitor I – Municipal Trial Court in Cities Judge

24 The Solicitor General shall be entitled to the same retirement
25 benefits and privileges as an Associate Justice of the Supreme
26 Court, provided he has served in such capacity for at least two
27 (2) years. Such retirement benefits and privileges shall accrue to
28 him or her upon reaching the age of sixty (60) years.

29 Assistant Solicitor Generals, Senior State Solicitors, State
30 Solicitors II, and State Solicitors I shall be entitled to the same
31 retirement benefits and privileges as their counterparts in the
32 Judiciary upon reaching the age of sixty (60) years, provided
33 that they have served in such capacities for at least five years.
34 An Assistant Solicitor General, Senior State Solicitor, State
35 Solicitor II, and State Solicitor I may opt to serve up to the age of
36 seventy (70) years.

37 The Solicitor General shall determine the qualifications,
38 prerogatives, and responsibilities of the Associate Solicitors.
39

1 **SECTION 9. *Office of Legal Services.*** – The OLS shall perform
2 such functions and duties as may be assigned by the Solicitor
3 General, which may include drafting proposed legislative
4 measures to strengthen the OSG and enable it to efficiently and
5 effectively discharge its mandate for submission by the Solicitor
6 General to Congress and to the President of the Philippines;
7 conducting research on legal issues that may be assigned by the
8 Solicitor General; and assisting the Solicitor General, Assistant
9 Solicitors General, State Solicitors, Associate Solicitors, and all
10 other employees of the OSG who are impleaded in their official
11 capacity in any litigation, proceeding, investigation, or matter
12 requiring the services of a lawyer.
13

14 **SECTION 10. *Capacity Development.*** – In order to build and
15 develop the capability of the OSG as an organization to achieve
16 development goals, as well as enhance its abilities to achieve
17 measurable and sustainable results, the Solicitor General, in
18 consultation with the Assistant Solicitors General, shall
19 formulate, develop, and implement plans, activities, and
20 programs towards the improvement of knowledge, skills, and
21 systems. To achieve this objective, the Solicitor General may by
22 himself authorize OSG lawyers to travel anywhere in the
23 Philippines and abroad to attend seminars, fora, conferences, or
24 lectures on different areas of law, pleadings and practice in
25 international courts and tribunals, public-private partnerships,
26 and public corporate governance, among others. The Solicitor
27 General may also authorize the administrative staff of the OSG
28 to undergo relevant training to improve their skills.

29 **SECTION 11. *Compensation.*** — The salary grades of the
30 Solicitor General, Assistant Solicitors General, Senior State
31 Solicitors, State Solicitors, and Associate Solicitors shall be as
32 follows:

POSITION	SALARY GRADE
Solicitor General	31
Assistant Solicitor General	30
Senior State Solicitor	29
State Solicitor II	28
State Solicitor I	27
Associate Solicitor III	26
Associate Solicitor II	25
Associate Solicitor I	24

33 The Solicitor General, Assistant Solicitor General, and Solicitors
34 shall be entitled to step increments and longevity pay which
35 shall be equivalent to those being received by their counterparts
36 in the judiciary.
37

1 The positions and salaries of non-legal personnel in the OSG
2 shall be in the level of their counterparts in the Court of
3 Appeals.

4 **SECTION 12. Benefits and Privileges.** — The OSG shall
5 provide its employees with the following benefits:

6 (1) health care services through a health maintenance
7 organization (HMO). Expenses for the mandatory annual
8 executive check-up of the Solicitor General, the Assistant
9 Solicitors General and OSG officials whose positions correspond
10 to Salary Grade 28 and above shall be for the account of the
11 OSG;

12 (2) hazard pay, as well as accident insurance policies
13 procured by the OSG at its own expense to protect its officials
14 while they are in the performance of their official duties and
15 functions;

16 (3) without prejudice to efficiency in the service,
17 scholarships to deserving employees on official time and at the
18 expense of the OSG to enhance their academic growth and
19 upgrade their knowledge and skills. Scholarships under this
20 provision shall be granted on the basis of competitive
21 examination. Scholars shall be required to render service in the
22 OSG upon immediate completion of the program, course or
23 degree, in accordance with applicable Civil Service laws, rules
24 and regulations.

25 (4) a provident fund which shall consist of contributions
26 made both by the OSG and by its lawyers and employees to a
27 common fund for the payment of benefits to such lawyers or
28 employees or their heirs;

29 (5) other perquisites and benefits as enjoyed by other
30 government offices or as may be determined by the Solicitor
31 General in the exigencies of the service and in accordance with
32 law. (n)

33 **SECTION 13. Seminar and Other Professional Fees.** —
34 Subject to the availability of funds, fees for relevant seminars, as
35 well as professional membership fees for lawyers, registration
36 fees, and related miscellaneous expenses incurred in completing
37 the mandatory continuing legal education (MCLE) course shall
38 be borne by the OSG: *Provided*, that the lawyer whose lifetime
39 membership fees/dues to the Integrated Bar of the Philippines
40 (IBP) have been paid up or reimbursed by the OSG, shall
41 maintain his or her service in the OSG for at least five (5) years:
42 *Provided, further*, that should the lawyer resign or in any manner
43 sever his or her service from the Office, he or she shall be

1 required to reimburse the paid up IBP membership dues/fees in
2 *pro rata*. (n)

3 Professional membership, registration fees, including those for
4 mandatory continuing professional education (CPE), and related
5 miscellaneous expenses of other employees holding positions for
6 which a professional license is required by the office shall also
7 be borne by the OSG.

8 **SECTION 14. *Survivorship Benefits; Coverage.*** —Upon the
9 death of a Solicitor General, Assistant Solicitor General, Senior
10 State Solicitor, State Solicitor, or an Associate Solicitor of the
11 OSG, if said official had retired or was in the service at the time
12 of death, the surviving legitimate spouse and dependent
13 children, or in their absence, the surviving parents of said
14 official shall be entitled to receive on a monthly basis all the
15 retirement benefits that the deceased official was receiving or
16 entitled to receive at the time of death under the provisions of
17 the applicable retirement laws. A “dependent” means a
18 legitimate, illegitimate, or legally adopted child who is chiefly
19 dependent with the above-enumerated deceased officials if such
20 dependent is not more than twenty-one (21) years of age,
21 unmarried and not gainfully employed or if such dependent,
22 regardless of age, is incapable of self-support because of mental
23 or physical defect. The surviving legitimate spouse shall
24 continue to receive such retirement benefits during his or her
25 lifetime or until he or she remarries: *Provided*, that if the
26 surviving legitimate spouse is receiving benefits under existing
27 retirement laws, the surviving legitimate spouse shall only be
28 entitled to the difference between the amount provided for in
29 this Act and the benefits the surviving spouse has been
30 receiving: *Provided, further*, that said benefits shall be granted to
31 all aforementioned members of the OSG who died or retired prior
32 to the effectivity of this Act: *Provided, furthermore*, that the
33 surviving legitimate spouse receiving the benefit shall not, if he
34 or she is a member of the Bar, appear as counsel before any
35 court in any civil case wherein the Government or any
36 subdivision or instrumentality thereof, including GOCCs, is the
37 adverse party, or in any criminal case wherein an incumbent or
38 former officer or employee of the Government is accused of an
39 offense committed in relation to his or her office, or collect any
40 fee for his or her appearance in any administrative proceeding;
41 and when the surviving legitimate spouse shall assume an
42 elective public office, he or she shall not, upon assumption of
43 office and during his or her term, receive the said survivorship
44 benefits. (n)

45 **SECTION 15. *Grant of Special Allowances.*** — Any law to the
46 contrary, notwithstanding, the Solicitor General, Assistant
47 Solicitors General, Senior State Solicitors, State Solicitors and

1 Associate Solicitors shall be granted special allowances in
2 amounts to be determined by the Solicitor General.

3 The grant of special allowances shall be implemented uniformly
4 in such sums and amounts and up to the extent only that can
5 be supported by the funding source specified in Section 18 (a) to
6 (d) hereof: *Provided*, that each grant of the said special allowance
7 shall not exceed One hundred percent (100%) of the basic salary
8 of solicitors as provided in Republic Act No. 6758, otherwise
9 known as the Salary Standardization Law: *Provided, further*, that
10 said special allowances shall be exempt from income tax.

11 **SECTION 16. *Other Benefits.*** — Notwithstanding any law, or
12 administrative rule or regulation, the lawyers of the OSG shall
13 be entitled to receive honoraria and allowances directly from
14 each client department, agency, and instrumentality of the
15 Government, as well as from each client GOCC for the legal
16 services that said lawyers render, which may include attendance
17 in hearings, providing legal advice, drafting of contracts and
18 legal documents, and performing designated functions; *Provided*,
19 that said honoraria and allowances shall be exempt from income
20 tax.

21 **SECTION 17. *Franking Privilege.*** — All official mail matters
22 and telegrams of the OSG addressed for delivery within the
23 Philippines shall be received, transmitted, and delivered free of
24 charge: *Provided*, that such mail matters when addressed to
25 private persons or non-government offices shall not exceed one
26 hundred twenty (120) grams.

27 **SECTION 18. *Funding.*** — The funds required for the
28 implementation of this Act, including those for health care
29 services, survivorship benefits; insurance premiums,
30 professional, educational, and registration fees; transportation
31 benefits; and other benefits and privileges mentioned in the
32 other provisions of this Act, shall be provided for in the General
33 Appropriations Act and augmented by funds sourced from the
34 following:

35 (a) twenty percent (20%) of monetary awards or value of
36 assets adjudged by the Courts or tribunals to client
37 departments, agencies and instrumentalities of the Government,
38 and GOCCs, including those under court-approved compromise
39 agreements;

40 (b) twenty percent (20%) of assets adjudged to the
41 Government in forfeiture proceedings;

42 (c) fifty percent (50%) of fees collected by the Special
43 Committee on Naturalization; and

(d) all other income, fees and revenues earned and collected by the Office of the Solicitor General.

For this purpose, the OSG is hereby authorized to charge deputation, certification, and other similar fees in the cases that it handles.

6 The amounts collected pursuant to this section shall
7 constitute a trust fund in the name of the OSG to be managed
8 and used by the Solicitor General to carry out the provisions of
9 this Act.

SECTION 19. Transfer of Cases. – All cases being handled by the OGCC shall be transferred to the OSG: *Provided, however,* that the handling OGCC lawyer shall submit a status report of all cases he or she is handling to the Solicitor General: *Provided, further,* that a certification under oath that the records of the case transmitted to the OSG are complete shall be made by the handling OGCC lawyer as a pre-condition for receiving the separation or retirement benefits under this Act. (n)

18 **SECTION 20. Case Migration.** – Upon the effectivity of this Act,
19 a transition “Case Migration Committee” (CMC) shall be created
20 composed of: three (3) members from each of the respective
21 records and docket divisions of the OSG, the OGCC, and the
22 PCGG, at least two (2) members from the legal divisions of all
23 GOCCs, and at least two lawyers each from the OSG, the OGCC,
24 and the PCGG.

25 The CMC shall ensure the smooth turnover of all cases and legal
26 concerns of the OGCC and the PCGG to the OSG, with
27 corresponding status reports, complete records, and other
28 relevant documents, taking care that no case or legal concern
29 shall be prejudiced in the process of turnover.

30 The CMC shall have the responsibility of determining which
31 cases and legal concerns need immediate attention or are
32 extremely urgent. These cases and legal concerns shall
33 immediately be transferred and/or referred to the OSG.

34 The CMC shall complete its work within thirty (30) days from its
35 constitution. The CMC shall submit a comprehensive report to
36 the Solicitor General. (n)

37 **SECTION 21. Retirement or Separation from Service.** –
38 Consequent to the abolition of the OGCC and the PCGG, OGCC
39 and PCGG officials and employees who have attained fifty (50)
40 years of age and have rendered at least fifteen (15) years in
41 government service, the last five (5) years of which shall have

1 been continuously rendered in the OGCC or the PCGG, shall be
2 qualified for retirement with full retirement gratuity and pension
3 pursuant to applicable laws. Those who lack any one of the
4 above qualifications shall receive a separation pay equivalent to
5 one and a half (1 1/2) months for every year of service in
6 government, which will be provided for in the General
7 Appropriations Act. (n)

8 **SECTION 22. *Implementing Rules and Regulations.*** —
9 Within thirty (30) days from the approval of this Act, the
10 Solicitor General, in coordination with the Secretary of Budget
11 and Management, shall promulgate such rules and regulations
12 as may be necessary to carry out the provisions of this Act.
13 Until such time that the rules and regulations are promulgated
14 and Section 21 of this law is implemented, the officials and
15 administrative personnel of the OGCC and PCGG shall remain
16 in their positions in a holdover capacity.

17 **SECTION 23. *Retroactivity.*** — The retirement benefits provided
18 for in Section 8 and the survivorship benefits provided for under
19 Section 14 of this Act shall have retroactive effect as of the date
20 of effectivity of Republic Act No. 9417. (n)

21 **SECTION 24. *Appropriations.*** — The amount necessary for the
22 initial implementation of this Act shall be taken from the current
23 appropriations of the OSG and/or its savings. Thereafter, such
24 sums as may be necessary for the continued implementation of
25 this Act shall be included in the annual General Appropriations
26 Act.

27 **SECTION 25. *Repealing Clause.*** — Pertinent provisions of
28 Executive Order No. 292, otherwise known as the Revised
29 Administrative Code of 1987, as amended, Republic Act No.
30 9417, and all laws, decrees, orders, rules and regulations or
31 parts thereof which are contrary to or inconsistent with the
32 provisions of this Act are hereby repealed or amended
33 accordingly.

34 This Act expressly repeals Republic Act No. 2327 entitled “*An act
35 to declare the position of Government Corporate Counsel distinct
36 and separate from that of the Solicitor General, provide for his
37 appointment and salary and appropriate the necessary funds
38 therefor, and for other purposes*”, and Executive Orders No. 1
39 entitled “*Creating the Presidential Commission on Good
40 Government*” and No. 2 entitled “*Regarding the Funds, Moneys,
41 Assets and Properties Illegally Acquired or Misappropriated by
42 Foremr President Ferdinand Marcos ...*”, s. 1986, and, related
43 laws.

1 **SECTION 26. Separability Clause.** — If any provision of this
2 Act is declared invalid or unconstitutional, the provisions not
3 affected thereby shall continue to be in full force and effect.

4 **SECTION 27. Effectivity.** — This Act shall take effect after
5 fifteen (15) days from its publication in two national newspapers
6 of general circulation.

Approved,