

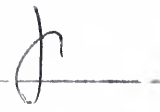
NINETEENTH CONGRESS OF THE )  
REPUBLIC OF THE PHILIPPINES )  
First Regular Session )

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SENATE

RECEIVED BY: \_\_\_\_\_



Proposed Senate Resolution No. 122

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**Introduced by Senator Aquilino "Koko" Pimentel III**

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**RESOLUTION  
CALLING FOR AN INVESTIGATION, IN AID OF  
LEGISLATION, ON THE ANOMALOUS AND ERRONEOUS  
WAY THAT THE GOVERNMENT SERVICE INSURANCE  
SYSTEM (GSIS) IS IMPLEMENTING REPUBLIC ACT NO.  
7699, OTHERWISE KNOWN AS THE PORTABILITY LAW**

1       **WHEREAS**, Section 18 of Article II of the Constitution,  
2 enshrining the State's general policy on the protection of the rights of  
3 workers and the promotion of their welfare, provides that:

4  
5               "Section 18. The State affirms labor as a primary social  
6 economic force. It shall protect the rights of workers and promote  
7 their welfare."  
8

9       **WHEREAS**, on 01 May 1994, Congress of the Philippines  
10 passed into law Republic Act No. 7699, otherwise known as "An Act  
11 Instituting Limited Portability Scheme in the Social Security  
12 Insurance Systems by Totalizing the Workers' Creditable Services or  
13 Contributions in Each of the Systems" or the "Portability Law;"  
14

15       **WHEREAS**, Section 1 of the Portability Law spells out the  
16 policy and reasons for its enactment, thus:

17  
18               "SECTION 1. It is hereby declared the policy of the State to  
19 promote the welfare of our workers by recognizing their efforts in

1 productive endeavors and to further improve their conditions by  
2 providing benefits for their long years of contribution to the  
3 national economy. Towards this end, the State shall institute a  
4 scheme for totalization and portability of social security benefits  
5 with the view of establishing within a reasonable period a unitary  
6 social security system."

7  
8 **WHEREAS**, Section 3 of the same law defines the rights of a  
9 retiring covered worker as follows:

10  
11 "Sec. 3. Provisions of any general or special law or rules and  
12 regulations to the contrary notwithstanding, a covered worker who  
13 transfers employment from one sector to another or is employed in  
14 both sectors shall have his creditable services or contributions in  
15 both Systems credited to his service or contribution record in each  
16 of the Systems and shall be totalized for purposes of old-age,  
17 disability, survivorship and other benefits in case the covered  
18 member does not qualify for such benefits in either or both  
19 Systems without totalization: Provided, however, That overlapping  
20 periods of membership shall be credited only once for purposes of  
21 totalization."

22  
23 **WHEREAS**, in the Rules and Regulations Implementing the  
24 Portability Law<sup>1</sup> (hereinafter, "the implementing rules"), totalization  
25 is defined as the process of adding up the periods of creditable  
26 services or contributions under each of the Systems, for purposes of  
27 eligibility and computation of benefits;

28  
29 **WHEREAS**, Section 2, Rule V of the implementing rules  
30 affirms this by providing that totalization shall apply in any of the  
31 following instances:

32  
33 xxx  
34 a. If a worker is not qualified for any benefits from both  
35 Systems;

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1 Rule III, Section 1 (e) provides:

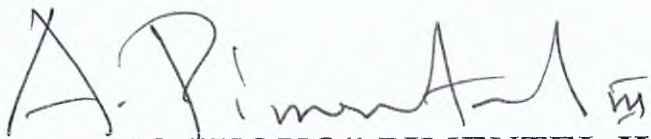
e. "totalization" shall refer to the process of adding up the periods of creditable services or contributions under each of the Systems, for purposes of eligibility and computation of benefits.





1           **NOW THEREFORE**, be it **RESOLVED** by the Senate of the  
2 Philippines, as it is hereby **RESOLVED**, to direct the proper Senate  
3 committee to conduct an investigation, in aid of legislation, as to the  
4 apparently erroneous and wrong implementation of the Portability  
5 Law by the GSIS.

*Adopted,*

  
**AQUILINO "KOKO" PIMENTEL III**