



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

23 JUL 26 A9:30

RECEIVED BY: _____

SENATE
S. No. 2360

Introduced by Senator MANUEL "LITO" M. LAPID

AN ACT
UPGRADING AND CREATING ADDITIONAL POSITIONS IN THE OFFICE OF
THE GOVERNMENT CORPORATE COUNSEL, AMENDING FOR THE PURPOSE
EXECUTIVE ORDER NO. 878 DATED 4 MARCH 1983, AS AMENDED BY
EXECUTIVE ORDER NO. 299 DATED 26 JULY 1987

EXPLANATORY NOTE

This Bill reintroduces the previously vetoed bill on the Office of the Government Corporate Counsel (OGCC), subject to certain revisions to address the Veto Message dated 22 July 2022 of His Excellency President Ferdinand Romualdez Marcos, Jr.

Even as the President may have vetoed the OGCC bill passed during the Eighteenth Congress, he particularly recognizes the need to strengthen the OGCC given the growth in the number of government corporations in the recent years coupled with the complexity of their requirements brought on by current business conditions. The additional complement of lawyers and the upgrading of existing positions in the OGCC are necessary to strengthen its organizational structure, improve the service that it provides, and accord its men and women the privileges and benefits presently enjoyed by their counterparts in the Judiciary and the Justice Sector which includes the National Prosecution Service (NPS), the Public Attorney's Office (PAO), and the Office of the Solicitor General (OSG).

Government corporations have a crucial role in the country's economic development. They annually contribute tens of billions to the nation's coffers (approximately PhP375 Billion in 2022), and are the indispensable partners of the

National Government in nation building, particularly in the pursuit of government projects, programs, and initiatives. Notably, the number of government corporations has greatly increased to seven hundred thirty two (732) to date.

The OGCC's vital role in nation building is evident in its stalwart legal support to its client corporations. The assistance it renders is based on institutional knowledge and specialization, given the vast experience and collective wisdom which it has achieved in almost a century of public service which began in 1935.

However, the evolution and broadening of the scope of activities of government corporations have resulted in an increase in the volume, complexity, and importance of the work of the OGCC. Thus, it is necessary to strengthen the OGCC's current complement to maintain its effectiveness in addressing the legal needs of its clients, particularly corporations which do not have internal legal departments.

The proposed legislative measure shall strengthen the applicable laws and issuances on the organizational structure of the OGCC, to create new positions in its hierarchy and augment the OGCC's present complement with an additional thirty-six (36) lawyer positions, thus:

Position	Current number of positions	Proposed number of positions
Assistant Government Corporate Counsel	10	12
Government Corporate Attorney IV	10	12
Government Corporate Attorney III	14	14
Government Corporate Attorney II	17	17
Government Corporate Attorney I	4	12
Associate Government Corporate Attorney II	0	12

Associate Government Corporate Attorney I	0	12
Total number of lawyers	55	91

The upgrading of the rank, salary grades, privileges, and benefits of the OGCC lawyers is designed to keep them at par with the ranks, salary grades, privileges, and benefits of counterpart positions in the Department of Justice and its attached agencies, particularly those in the NPS, the PAO, and the OSG, thus:

LAWYER POSITIONS IN THE DEPARTMENT OF JUSTICE					
Required number of years in the practice of law	Present OGCC Position and Salary Grade	Proposed OGCC Position and Salary Grade	OSG Position and Salary Grade	NPS Position and Salary Grade	PAO Position and Salary Grade
	Executive Order No. 878, as amended	(Proposed Act)	Republic Act 9417 (2007)	Republic Act 10071 (2010)	Republic Act 9406 (2007)
15	Assistant Government Corporate Counsel (SG 29) <i>Present</i> Regional Trial Court Judge level	Assistant Government Corporate Counsel (SG 30) <i>Proposed</i> Associate Justice of the Court of Appeals level	Assistant Solicitor General (SG 30) Associate Justice of the Court of Appeals level	Prosecutor V (Senior Deputy State, Regional, Provincial or City Prosecutor) (SG 30) Associate Justice of the Court of Appeals level	Deputy Chief Public Attorney (same salary and privileges as the counterpart position in the NPS)

(referred to as BBM and PPP lawyers) in recognition of the need to augment its present complement. In this regard, the intended creation of additional *plantilla* positions would be far more expedient. There would be minimal budgetary requirements in view of the OGCC's present structure which already incorporates the expenses for 18 coterminous lawyer positions.

The required budget would improve the efficiency and morale of the OGCC, effectively result in significant savings for the government, and minimize deputization and the engagement by client corporations of external counsel. The OGCC is expected to supervise the legal departments of its client government corporations, assist its growing number of client corporations without legal departments, perform necessary corporate tasks, and handle more cases and concerns of its clients which, due to the lack of adequate personnel, would previously require the engagement of external counsel.

It is significant to note that the OGCC's organizational structure and the number of its personnel have remained unchanged since the 1980's, or for approximately four decades. Notably, the strengthening of its counterpart agencies, specifically the PAO, OSG, and NPS, had been approved in the years 2007 and 2010 and implemented through Republic Act (R.A.) 9406 (2007), R.A. 9417 (2007), and R.A. 10071 (2010), respectively.

Given its growing number of clients and insufficient number of lawyers, the OGCC was constrained to confirm and ratify its client corporations' requests for the engagement of external counsel, for additional manpower and to ensure that its clients' cases were properly handled. The need to undertake dispute resolution such as compulsory arbitration, enhance legal risk management, and improve remedial structures has exponentially grown, to include actions filed in international fora which require expeditious and diligent attention. The rigors of arbitration, whether domestic or international, in this decade alone required additional manpower particularly given the financial impact of such arbitration cases and the magnitude of their effect on public welfare.

The OGCC's workforce should, therefore, be augmented to sufficiently address the developing requirements and legal concerns of the government corporate sector.

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



MANUEL "LITO" M. LAPID
Senator



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AN ACT
UPGRADING AND CREATING ADDITIONAL POSITIONS IN THE OFFICE OF
THE GOVERNMENT CORPORATE COUNSEL, AMENDING FOR THE PURPOSE
EXECUTIVE ORDER NO. 878 DATED 4 MARCH 1983, AS AMENDED BY
EXECUTIVE ORDER NO. 299 DATED 26 JULY 1987

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

Section 1. Section 1 of Executive Order (EO) No. 878, as amended by EO No. 299, is hereby further amended, as follows:

SECTION 1. The Office of the Government Corporate Counsel (OGCC) shall be headed by the Government Corporate Counsel whose rank, SALARY, RETIREMENT AND PENSION BENEFITS, RIGHTS, emoluments and privileges, shall be the same as those of the Presiding Justice of the Court of Appeals. He shall be assisted by a Deputy Government Corporate Counsel whose rank, SALARY, RETIREMENT AND PENSION BENEFITS, RIGHTS, emoluments, and privileges shall be the same as those of an Associate Justice of the Court of Appeals, and ~~ten (10)~~ TWELVE (12) Assistant Government Corporate Counsels WITH THE rank, SALARY, RETIREMENT AND PENSION BENEFITS, RIGHTS, emoluments, and privileges ~~[shall be the same as those]~~ of ~~[Regional Trial Judge of the Regional Trial Courts]~~ AN ASSOCIATE JUSTICE OF THE COURT OF APPEALS. THE SALARY GRADE CORRESPONDING TO THE POSITION OF THE DEPUTY GOVERNMENT CORPORATE COUNSEL SHALL BE FOUR (4)

1 STEPS ABOVE THE SALARY GRADE CORRESPONDING TO THE POSITION
2 OF AN ASSISTANT GOVERNMENT CORPORATE COUNSEL.

3 ~~[[The Government Corporate Counsel, Deputy Government Corporate~~
4 ~~Counsel, and Assistant Government Corporate Counsels must be officers~~
5 ~~learned in law, of recognized competence, with experience in the practice~~
6 ~~of law for at least ten (10) years, and at least thirty five (35) years of age.]]~~

7 NO PERSON SHALL BE APPOINTED GOVERNMENT CORPORATE COUNSEL,
8 DEPUTY GOVERNMENT CORPORATE COUNSEL, OR ASSISTANT
9 GOVERNMENT CORPORATE COUNSEL UNLESS HE OR SHE IS A NATURAL-
10 BORN CITIZEN OF THE PHILIPPINES AND HAS BEEN ENGAGED IN THE
11 PRACTICE OF LAW IN THE PHILIPPINES FOR AT LEAST FIFTEEN (15)
12 YEARS.

13 The incumbent Government Corporate Counsel, Deputy Government
14 Corporate Counsel, and Assistant Government Corporate Counsels shall be
15 entitled to the RANK, SALARY, RETIREMENT AND PENSION BENEFITS,
16 rights, emoluments and privileges vested upon them BY THIS ACT as of the
17 time of their appointments, AND without need of further appointments.

18 **Sec. 2.** Section 4 of EO No. 878, as amended by EO No. 299, is hereby further
19 amended, as follows:

20 Section 4. The number, rank, qualifications for appointment, emoluments
21 and privileges of the other members of the legal staff of OGCC shall be as
22 follows:

23 ~~[[a) A first bracket of ten (10) State Corporate Attorneys who shall have~~
24 ~~the rank, qualifications for appointment, emoluments and privileges of~~
25 ~~Metropolitan Trial Judges;]]~~

26 A. TWELVE (12) GOVERNMENT CORPORATE ATTORNEY IV (GCA IV)
27 POSITIONS. A GCA IV SHALL HAVE THE RANK, SALARY, RETIREMENT AND
28 PENSION BENEFITS, RIGHTS, EMOLUMENTS, AND PRIVILEGES OF A
29 JUDGE OF A REGIONAL TRIAL COURT. NO PERSON SHALL BE APPOINTED

1 AS GCA IV UNLESS HE OR SHE IS A NATURAL-BORN CITIZEN OF THE
2 PHILIPPINES AND HAS BEEN ENGAGED IN THE PRACTICE OF LAW IN THE
3 PHILIPPINES FOR AT LEAST TEN (10) YEARS;

4 ~~[(b) A second bracket of seven (7) State Corporate Attorneys whose annual
5 compensation shall be as provided in Presidential Decree No. 1726 and who
6 must be members of the Philippine Bar and have at least three (3) years
7 experience in the practice of law;]~~

8 B. FOURTEEN (14) GOVERNMENT CORPORATE ATTORNEY III (GCA III)
9 POSITIONS. A GCA III SHALL HAVE THE RANK, SALARY, RETIREMENT AND
10 PENSION BENEFITS, RIGHTS, EMOLUMENTS, AND PRIVILEGES OF A
11 JUDGE OF A METROPOLITAN TRIAL COURT. NO PERSON SHALL BE
12 APPOINTED GCA III UNLESS HE OR SHE IS A NATURAL-BORN CITIZEN OF
13 THE PHILIPPINES AND HAS BEEN ENGAGED IN THE PRACTICE OF LAW IN
14 THE PHILIPPINES FOR AT LEAST FIVE (5) YEARS;

15 ~~[(c) A third and a fourth bracket of seven (7) State Corporate Attorneys
16 each whose annual compensation shall be as provided in Presidential
17 Decree No. 1726 and who must be members of the Philippine Bar and have
18 at least two (2) years experience in the practice of law;]~~

19 C. SEVENTEEN (17) GOVERNMENT CORPORATE ATTORNEY II (GCA II)
20 POSITIONS. A GCA II SHALL BE A NATURAL-BORN CITIZEN OF THE
21 PHILIPPINES AND HAS BEEN ENGAGED IN THE PRACTICE OF LAW IN THE
22 PHILIPPINES FOR AT LEAST FOUR (4) YEARS;

23 ~~[(d) Ten (10) Trial Attorneys whose annual compensation each shall be as
24 provided in Presidential Decree No. 1726 and who must be members of the
25 Philippine Bar and have at least one (1) year experience in the practice of
26 law;]~~

27 D. TWELVE (12) GOVERNMENT CORPORATE ATTORNEY I (GCA I)
28 POSITIONS. A GCA I SHALL BE A NATURAL-BORN CITIZEN OF THE

1 PHILIPPINES AND HAS BEEN ENGAGED IN THE PRACTICE OF LAW IN THE
2 PHILIPPINES FOR AT LEAST THREE (3) YEARS;

3 ~~[(e) A Senior Research Attorney and five (5) Research Attorneys whose
4 annual compensation shall be as provided in Presidential Decree No. 1726
5 and who must be members of the Philippine Bar.]~~

6 E. TWELVE (12) ASSOCIATE GOVERNMENT CORPORATE ATTORNEY II
7 (AGCA II) POSITIONS. AN AGCA II SHALL BE A NATURAL-BORN CITIZEN
8 OF THE PHILIPPINES AND HAS BEEN ENGAGED IN THE PRACTICE OF LAW
9 IN THE PHILIPPINES FOR AT LEAST TWO (2) YEARS; AND

10 F. TWELVE (12) ASSOCIATE GOVERNMENT CORPORATE ATTORNEY I
11 (AGCA I) POSITIONS. AN AGCA I SHALL BE NATURAL-BORN CITIZEN OF
12 THE PHILIPPINES AND A MEMBER OF THE PHILIPPINE BAR.

13 ~~[The number and salaries/compensation of the members of the
14 Administrative and support staff of the OGCC shall be those indicated in the
15 Staffing Pattern and salary schedule attached hereto as Annex "A".]~~

16 THE INCUMBENT MEMBERS OF THE LEGAL STAFF SHALL BE ENTITLED TO
17 THE RIGHTS, SALARY, BENEFITS AND PRIVILEGES VESTED UPON THEM
18 BY THIS ACT AS OF THE TIME OF THEIR APPOINTMENT WITHOUT NEED
19 OF FURTHER APPOINTMENT.

20 **Sec. 3.** Section 5 of EO No. 878, as amended by EO No. 299, is hereby further
21 amended, as follows:

22 ~~[SEC. 5. The Government Corporate Counsel is hereby authorized to
23 reorganize his legal and administrative/support staff within three months in
24 such manner as he may deem proper to promote the efficiency of the
25 service. Any member of the staff not otherwise selected/appointed by the
26 Government Corporate Counsel as a result of the reorganization herein
27 authorized, or who refuses such appointment, shall be paid the money
28 value of his accumulated vacation and sick leave, and such retirement
29 gratuity as may be due him under existing retirement laws. Anyone not~~

1 ~~appointed who does not qualify under any existing retirement law may be~~
2 ~~paid one month salary for every year of service, payable in lump sum, from~~
3 ~~out of the salary lapses in the Office of the Government Corporate Counsel.]~~

4 SECTION 5. *ORGANIZATIONAL STRUCTURE.* –THE GOVERNMENT
5 CORPORATE COUNSEL HAS THE AUTHORITY TO DISCHARGE THE DUTIES
6 AND FUNCTIONS OF THE OGCC, AND SHALL HAVE CONTROL AND
7 SUPERVISION OVER THE OGCC AND ITS CONSTITUENT UNITS. THE
8 GOVERNMENT CORPORATE COUNSEL SHALL PROMULGATE THE
9 NECESSARY RULES AND REGULATIONS FOR THE IMPLEMENTATION OF
10 THE PROVISIONS OF THIS ACT. UNLESS OTHERWISE DETERMINED BY
11 THE GOVERNMENT CORPORATE COUNSEL, THE LEGAL STAFF SHALL BE
12 DIVIDED INTO TEAMS, EACH TO BE HEADED BY AN AGCC.

13 THE OGCC SHALL BE SUPPORTED BY SUCH NUMBER OF NON-LEGAL
14 PERSONNEL NECESSARY AND COMMENSURATE TO THE OGCC'S WORK
15 REQUIREMENTS, AS RECOMMENDED BY THE OGCC AND APPROVED BY
16 THE DEPARTMENT OF BUDGET AND MANAGEMENT. NON-LEGAL
17 PERSONNEL SHALL HAVE THE SAME SALARIES AND BENEFITS AS THOSE
18 OF THEIR COUNTERPARTS IN THE OFFICE OF THE SOLICITOR GENERAL.

19 THE ADMINISTRATIVE STRUCTURE OF THE OGCC SHALL BE COMPOSED
20 OF ITS SECRETARIAL AND LEGAL SUPPORT SERVICE; TRAINING,
21 RESEARCH, AND PUBLICATION SERVICE; FINANCE AND ACCOUNTING
22 SERVICE; HUMAN RESOURCE AND MANAGEMENT SERVICE; CASE AND
23 RECORDS MANAGEMENT SERVICE; LIBRARY MANAGEMENT AND
24 INFORMATION TECHNOLOGY SERVICE; CORPORATE PLANNING SERVICE;
25 AND PROPERTY AND SUPPLY SERVICE. THE LEGAL AND NON-LEGAL
26 PERSONNEL OF THE OGCC OCCUPYING THE POSITIONS AFFECTED BY
27 THE CHANGES EMBODIED IN THIS ACT AT THE TIME OF ITS APPROVAL
28 SHALL THEREAFTER OCCUPY AND DISCHARGE THE DUTIES AND
29 FUNCTIONS OF THE UPGRADED POSITIONS AND RECEIVE THE

1 CORRESPONDING SALARY, BENEFITS, EMOLUMENTS, AND PRIVILEGES
2 WITHOUT NECESSITY OF NEW APPOINTMENTS.

3 **Sec. 4.** Section 7 of EO No. 878, as amended by EO No. 299, is hereby further
4 amended as follows:

5 SECTION 7. [~~In addition to the appropriation for the Office of the~~
6 ~~Government Corporate Counsel, the savings of the said office, if any, may~~
7 ~~be used to carry out this Executive Order.] **APPROPRIATIONS.** - THE
8 AMOUNT NEEDED TO IMPLEMENT THE UPGRADING OF POSITIONS AND
9 SALARIES, OFFICE RIGHT-SIZING, PHYSICAL EXPANSION, AND PAYMENT
10 OF RETIREMENT BENEFITS, PENSION, PRIVILEGES, AND OTHER
11 EMOLUMENTS PROVIDED IN THIS ACT SHALL BE TAKEN FROM THE
12 FUNDS AND BUDGET OF THE OGCC UNDER THE ANNUAL GENERAL
13 APPROPRIATIONS ACT.~~

14 **Sec. 5. Repealing Clause** - All other laws, decrees, orders, issuances, rules and
15 regulation which are inconsistent with the provisions of this act are hereby repealed,
16 amended and modified accordingly.

17 **Sec. 6. Separability Clause** - If, for any reason, any provision of this Act, or
18 any part thereof, is declared invalid or unconstitutional, all other sections or provisions
19 not affected thereby shall remain in force and effect.

20 **Sec. 7. Effectivity** - This Act shall take effect fifteen (15) days after publication
21 in the Official Gazette and two (2) newspapers of national circulation.

22 *Approved,*