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SENATE

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RECEMBES

S. No. <u>2376</u>

(In Substitution of Senate Bill Nos. 1045, 1370 and 1785)

Prepared and submitted jointly by the Committees on National Defense and Security, Peace, Unification, and Reconciliation; Government Corporations and Public Enterprises; Ways and Means; *and* Finance, with Senators Pimentel, Pacquiao, Gordon, Lacson, *and* Angara as authors thereof

AN ACT

STRENGTHENING PROFESSIONALISM AND CONTINUITY OF POLICIES AND MODERNIZATION INITIATIVES OF THE ARMED FORCES OF THE PHILIPPINES, PROVIDING FUNDS THEREFOR, AND FOR OTHER PURPOSES

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

TITLE I DECLARATION OF POLICY

3 **SECTION. 1.** *Declaration of Policy.* — In pursuit of modernization of 4 the Armed Forces of the Philippines (AFP), it is hereby declared the policy of 5 the State to:

- 6 (a) Enhance professionalization in the organization by strengthening 7 the merit system, allow the new leadership a longer period to 8 implement reforms, and institutionalize sound policies that will 9 redound to the improvement of the AFP;
- 11 (b) Promote the most qualified officers to higher ranks;

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(c) Obviate revolving door accommodation promotions to successfully
create a new culture of excellence in leadership and accountability
in the AFP; and,

1	(d)	Refine and improve the rules on retirement and commissionship.	
2		Towards this end, the State shall:	
3 4	(a)	Fix the tour of duty of the Chief of Staff and other officers holding key positions;	
5	(b)	Adjust the mandatory retirement age of Officers of the AFP;	
6	(c)	Raise the age of commission of officers of the AFP;	
7 8 9	(d)	Ensure implementation of merit-based promotion and attrition system that will assure the Armed Forces of a continuous pool of qualified and effective leaders; and,	
10	(e)	Modify the Grade Distribution of Officers.	
11 12		TITLE II TOUR OF DUTY	
13 14 15		C. 2. <i>Tour of Duty of Key Officers.</i> –The following officers holding ons in the AFP, upon appointment, shall have a fixed tour of duty of years:	
16	(a) Chief of Staff;	
17	7 (b) Vice Chief of Staff;		
18	8 (c) The Deputy Chief of Staff;		
19	(d) Commanding General, Philippine Army;		
20	(e) Commanding General, Philippine Air Force;		
21	(f) Flag Officer in Command, Philippine Navy;		
	(f) Flag Officer in Command, Philippine Navy;	
22		f) Flag Officer in Command, Philippine Navy;g) Unified Command Commanders; and	
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the appointment is signed and shall be for three (3) consecutive years unless sooner terminated by the President; *Provided, That* those mentioned in Section 2(b) to 2(h) shall not be eligible for any other position in the AFP unless promoted to the Chief of Staff.

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1 **SEC. 3.** Tour of Duty of the Superintendent of the Philippine Military 2 Academy (PMA). - A General/Flag Officer of proven competence and 3 academic excellence shall be appointed as Superintendent, Philippine Military Academy (PMA) and shall be exempt from the application of the maximum 4 tenure-in-grade defined under this Act. The PMA Superintendent shall have 5 6 the rank of Lieutenant General/Vice Admiral and be given a tour of duty of 7 four (4) years unless sooner terminated by higher authority; Provided, That 8 the PMA Superintendent shall not be eligible for any other position in the AFP 9 and shall be compulsorily retired after completion of the fixed tour of duty or 10 upon relief from office. Provided, Further, That no General/Flag Officer shall 11 be appointed as PMA Superintendent if he/she is more than fifty-eight (58) 12 vears of age.

SEC. 4. Prohibition on the Extension of Tour of Duty. – Except as
 provided for under Section 5 of this Act, no extension of tour of duty of the
 Key Officers mentioned in Sections 2 and 3 shall be allowed.

16 **SEC. 5.** *Tour of Duty of the Chief of Staff.* – The tour of duty of the 17 Chief of Staff shall not exceed three (3) years. However, in times of war or 18 other national emergency declared by Congress, the President may extend 19 such tour of duty.

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TITLE III RETIREMENT

- 22 SEC. 6. Compulsory Retirement for Military Personnel.
- 23 (a) The following Officers of the AFP shall be compulsorily retired:
- (1) Those in the grades of Second Lieutenant/Ensign (O-1) to
 Colonel/Captain (O-6), upon reaching the age of fifty-nine (59) or
 accumulation of thirty (30) years of satisfactory active duty,
 whichever comes earlier;
- (2) Those in the grades of Brigadier General/Commodore (O-7) to
 Lieutenant General/Vice Admiral (O-9), upon reaching the age of
 fifty-nine (59) or the maximum tenure-in-grade as defined in this
 Act, whichever comes earlier;
- (3) Those occupying a key position, as defined in Sec. 2 of this Act,
 upon completion of the fixed tour of duty regardless of age, unless
 promoted to Chief of Staff or who is relieved from post and is not

- 1designated to or occupying any position in the AFP Table of2Organization; and,
- 3 (4) Those commissioned under Presidential Decree No. 1908, and those
 4 appointed in the Corps of Professors upon reaching the age of sixty
 5 (60) or completion of twenty (20) years of satisfactory active duty,
 6 whichever comes later.

7 (b) An enlisted personnel shall be compulsorily retired upon accumulation of
8 at least thirty (30) years of satisfactory active duty or upon reaching the age
9 of fifty-six (56) years old, whichever comes later.

10 **SEC. 7.** *Optional Retirement.* – Upon accumulation of at least twenty 11 (20) years of satisfactory active duty, an officer or enlisted personnel may at 12 his/her own request be retired from military service, subject to the approval 13 of either the President, the Secretary of National Defense, or the AFP Chief of 14 Staff, or Major Service Commander as appropriate, as provided for in the 15 Implementing Rules and Regulations of this Act.

SEC. 8. *Retirement Grade.* – Officers and enlisted personnel covered
 by this Act shall be retired in the permanent grade last held and received the
 benefits appurtenant thereto.

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TITLE IV

ATTRITION SYSTEM FOR THE PERSONNEL OF THE AFP

SEC. 9. Definition of Terms. – As used in this Act, the following terms
 shall mean:

- (a) Active Duty the service or duty as a commissioned officer or
 enlisted personnel in the regular force of the AFP.
- (b) *Enlisted Personnel* refer to members of the AFP with the rank
 of Private up to First Chief Master Sergeant or their equivalent in
 the other services.
- (c) *Forced Attrition* is a mode of attrition wherein an officer or
 enlisted personnel, who after having been considered for
 promotion to the next higher grade, failed to qualify on account
 of his/her own fault, failure or negligence or lack of individual
 merit, or who has completed the maximum tenure-in-grade
 without being promoted, is subsequently separated or retired
 from military service.

1 2 3	(d)	<i>Grade</i> – the military rank of a commissioned officer and enlisted personnel. Commissioned officers, from the lowest to highest, are:
4		(1) Second Lieutenant/Ensign (PN);
5		(2) First Lieutenant/ Lieutenant Junior Grade (PN);
6		(3) Captain;/Lieutenant (PN);
7		(4) Major/Lieutenant Commander (PN);
8		(5) Lieutenant Colonel/Commander (PN);
9		(6) Colonel/Captain (PN);
10		(7) Brigadier General/Commodore (PN);
11		(8) Major General/Rear Admiral (PN);
12		(9) Lieutenant General/Vice Admiral (PN); and
13		(9) Lieutenant General/Vice Admiral (PN); and (10) General/Admiral (PN).
14	For enlist	ed personnel, from lowest to highest, are: (1) Private;
15		(1) Private;
16		(2) Private First Class;
17		(3) Corporal;
18		(4) Sergeant;
19		(5) Staff Sergeant;
20		(6) Technical Sergeant;
21		(7) Master Sergeant;
22		(8) Senior Master Sergeant;
23		(9) Chief Master Sergeant; and
24		(10) First Chief Master Sergeant
25	1	or their equivalent in the Philippine Navy and Philippine Air Force.
26 27	(e)	<i>Officers</i> – refer to commissioned personnel in the regular force of the AFP.

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- 1(f)*Primary Zone* composed of officers who are on promotable2status in the uppermost portion of the promotion list equivalent3to the number of declared vacancies.
- 4 (g) *Procurement* the process of obtaining personnel through 5 recruitment, selection, and appointment.
- 6 (h) *Tenure-In-Grade* the allowable/maximum year given to an
 7 Officer/Enlisted Personnel in a certain grade/rank.

8 SEC. 10. Forced Attrition of Officers. - Officers who are subjected to 9 forced attrition as defined in Sec. 9(c) of this Act shall be subsequently 10 separated or retired from military service. In addition, officers with 11 contractual service obligations who are recommended for separation on 12 account of their own fault, failure or negligence, shall be required to refund 13 the government the amount equivalent to the cost of training proportionate to the remaining period to be served as stipulated in the training contract. 14 15 The following are the instances of forced attrition of officers:

16 (a) At

Attrition by Non-Promotion. -

- 17 (1) Deferment of Promotion. – An officer in the grade of 18 Second Lieutenant/Ensign (PN) who is deferred once shall be separated in the permanent grade he/she 19 20 holds on the first day of the third month after the 21 President shall have approved the promotion of 22 officers recommended by the Selection Board which 23 recommended the deferment of such an officer for the 24 first time.
- (2) Twice deferment of Promotion. An officer in the 25 26 grade of First Lieutenant/Lieutenant Junior Grade (PN) 27 to Lieutenant Colonel/Commander (PN) who is 28 deferred twice for promotion to the next higher grade 29 shall be separated in the permanent grade he/she 30 holds on the first day of the third month after the 31 President shall have approved the promotion of 32 officers recommended by the Selection Board which recommended the deferment of such officer for the 33 34 second time. This subsection applies only to officers in 35 the primary zone of consideration because they were 36 considered or deliberated upon by the Selection Board

1	but failed to qualify for promotion to the next higher
2	grade.

- 3 (b) Maximum Tenure-in-Grade for Officers.

(1) *General/Flag Officers.* – The maximum tenure of officers in the grades of General/Flag Officer in the AFP are hereby prescribed as follows:

Grade	Maximum Tenure- in-Grade
General/Admiral (0-10)	Three (3) years
Lieutenant General/Vice Admiral (0-9)	Three (3) years
Major General/Rear Admiral (0-8)	Three (3) years
Brigadier General/Commodore (0-7)	Three (3) years

(2) *Officers.* – The maximum tenure of officers in the grades of Colonel, Lieutenant Colonel, Major, and Captain, or their equivalent in the other services in the AFP are hereby prescribed as follows:

Grade	Maximum Tenure-in-Grade
Colonel/Captain (PN) (O-6)	Nine (9) years
Lieutenant Colonel/ Commander (PN) (O-5)	Seven (7) years
Major/ Lieutenant Commander (PN) (O-4)	Six (6) years
Captain/ Lieutenant (PN) (O-3)	Six (6) years

- 1 (b) *Low-Potentiality.* An officer referred to and found by the AFP 2 Efficiency and Separation Board not fit for retention, lacking 3 leadership skills, of doubtful integrity, or fails to demonstrate 4 satisfactory performance may be separated from the military 5 service subject to the approval of the President.
- 6 SEC. 11. Forced Attrition of Enlisted Personnel. –
- 7 (a) Failure of Promotion. - An Enlisted Personnel who fails to qualify 8 or fails to satisfy any of the conditions for promotion to the next 9 higher grade as determined by the appropriate Enlisted Personnel Promotion Board shall be referred to the concerned Review and 10 Evaluation Board for evaluation and subsequent recommendation 11 to the Major Service Commanders for attrition or retention. The 12 grounds for referral shall be provided in the Implementing Rules 13 14 and Regulations of this Act.
- 15 (b) *Maximum Tenure-In-Grade for Enlisted Personnel.* An Enlisted 16 Personnel shall be separated or retired in accordance with the 17 provisions of existing laws for failure to be promoted after having 18 attained the maximum allowable tenure for the present grade 19 except if occupying a position calling for a higher grade in the AFP 20 Table of Organization:

GRADE	MAXIMUM TENURE- IN-GRADE
First Chief Master Sergeant (E-10)	Three (3) years
Chief Master Sergeant (E-9)	Three (3) years
Senior Master Sergeant (E-8)	Three (3) years
Master Sergeant (E-7)	Three (3) years
Technical Sergeant (E-6)	Five (5) years

Staff Sergeant (E-5)	Five (5) years
Sergeant (E-4)	Four (4) years
Corporal (E-3)	Four (4) years
Private First Class (E-2)	Four (4) years
Private (E-1)	Four (4) years

1 (c) *Low Potentiality.* – An enlisted personnel who is referred to and 2 found by the Enlisted Personnel Reenlistment Board not fit for 3 retention, complacent, lacking leadership skills, of doubtful 4 integrity, or fails to demonstrate outstanding performance may 5 be separated from the military service.

6 **SEC. 12**. Separation or Retirement from the AFP. — Any officer or 7 enlisted personnel who is removed from the AFP pursuant to this Title shall 8 be:

- 9 (a) *separated*, if one has rendered less than twenty (20) years of 10 satisfactory active duty and shall receive separation benefits 11 pursuant to law, or
- (b) *retired*, if one has rendered at least twenty (20) years of
 satisfactory active duty and shall receive retirement benefits
 pursuant to law, unless the concerned service member is
 disqualified by law to receive such benefits.
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TITLE V PROCUREMENT OF OFFICERS/ENLISTED PERSONNEL AND GRADE DISTRIBUTION

SEC. 13. Age Requirement for Commissionship. – Unless otherwise provided herein, all officers appointed to the Regular Force shall have an initial appointment in the grade of Second Lieutenant (O-1) and shall not be less than twenty-one (21) but not more than twenty-eight (28) years old; *Provided, That,* The original appointment in the Nurse Corps and Medical

1 Administrative Corps, and in the Dental Service and Veterinary Corps shall be 2 in the grade of Second Lieutenant (O-1) and First Lieutenant (O-2), 3 respectively, from among applicants who at the time of appointment shall be 4 at least twenty-one (21) but not more than thirty (30) years old; Provided, 5 Further, That those commissioned under Presidential Decree No. 1908, 6 namely, the original appointments in the Judge Advocate General's Service, 7 Medical Corps, and the Chaplain Service, and those appointed in the Corps of 8 Professors shall be not less than twenty-five (25) but not more than forty (40) 9 years old at the time of appointment and shall be in the grade of Captain (O-10 3).

In accordance with this Act and other pertinent laws, rules and regulations, non-commissioned officers of the Regular Force of the Armed Forces of the Philippines, who have shown outstanding ability and have rendered exceptional service may be appointed in the grade of Second Lieutenant (O-1) in the Regular Force by the President upon recommendation of the Secretary of National Defense.

SEC. 14. *Age Requirement for Enlistment.* - Enlisted personnel shall not be less than eighteen (18) nor more than twenty-six (26) years old at the time of enlistment. *Provided, That* the AFP may offer special enlistment to an individual whose technical/skills qualification is highly desirable to the organization and who at the time of enlistment is not less than eighteen (18) nor more than thirty-five (35) years old.

23 SEC. 15. Officer Grade Distribution. - The Secretary of National Defense shall prescribe the authorized number of officers in the active force 24 25 in each grade and in each major, technical or administrative service and shall 26 implement the gradual decrease in the number of officers in each officer rank 27 as part of, and in line with, the Modernization Program of the Armed Forces: 28 Provided, That one (1) year after the approval of this Act, such number shall 29 not exceed the number in each grade authorized in the Table of Organization 30 of units of the active force distributed as follows:

- (1) One percent (1%) in the General/Flag Officer grade based on the
 total officer strength authorized for the AFP or zero point one per
 centum (0.1%) of the total troop strength authorized for the AFP,
 whichever is lower;
- 35 (2) Six percent (6%) in the grade of Colonel/Captain (PN) based on the
 36 total officer strength authorized for the AFP;

- 1(3) Twelve percent (12%) in the grade of Lieutenant2Colonel/Commander (PN) based on the total officer strength3authorized for the AFP;
- 4 (4) Eighteen percent (18%) in the grade of Major/Lieutenant 5 Commander (PN) based on the total officer strength authorized for 6 the AFP;
- (5) Twenty percent (20%) in the grade of Captain/Lieutenant (PN)
 based on the total officer strength authorized for the AFP; and,
- 9 (6) Forty-three (43%) in the of First percent grades Lieutenant/Lieutenant Junior Grade (PN) 10 and Second 11 Lieutenant/Ensign (PN) on the total officer strength based 12 authorized for the AFP.

Provided, Further, That the Table of Organization of units of the active 13 force shall be adjusted in accordance with their respective missions and 14 15 officer requirements, and shall be gradually decreased pursuant to this section and such rules and regulations as the Secretary of National Defense 16 shall prescribe, subject to the condition that the schedule of percentage for 17 18 each grade as herein prescribed shall not be exceeded: Provided, furthermore, That in the determination of the officer to enlisted personnel 19 ratio, the mission requirement, capabilities, scope of responsibility, technical 20 nature of the position and task, and equipment inventory of units shall be 21 taken into consideration: Provided furthermore, 22 *That* considering the highly technical nature of the Air Force and the Navy, they shall be allocated a 23 higher officer to enlisted personnel ratio which shall not exceed fifteen 24 25 percent (15%) of the officer to enlisted personnel ratio allocated in the Philippine Army: Provided furthermore, That as far as practicable, officers in 26 the technical or administrative services such as, but not limited to, surgeon 27 general, chief dental service and chief nurse may be eligible for promotion to 28 general/flag officer grade: Provided, furthermore, That the guota limitation 29 provided herein shall not apply in the promotion to General/Flag rank of 30 reserve officers in the inactive service: Provided finally, That if the actual 31 number in a grade is less than the number prescribed, the difference may be 32 applied as an increase to the number prescribed in a lower grade. 33

34TITLE VI35GENERAL PROVISIONS

36 **SEC. 16.** *Competitive Categories for Promotion.* - Under regulations 37 prescribed by the Secretary of National Defense, the AFP shall establish competitive categories for promotion. Each officer whose name appears on an
 active-duty list shall be carried in a competitive category of officers. Officers
 in the same competitive category shall compete among themselves for
 promotion.

5 **SEC. 17.** *Officer Lineal List.* – There shall be only one seniority lineal 6 list for the officers of the Major Services and each of the Technical Services.

SEC. 18. *Prohibited Appointment.* – No retired or resigned military
officer may be appointed as Secretary of National Defense within one (1) year
from the date of his retirement or resignation.

10 SEC. 19. Annual Personnel Management Report. - The AFP Chief of Staff shall submit to the Department of National Defense an accurate, 11 12 comprehensive, and up-to-date Personnel Management Report, which shall 13 include information on the number of military personnel, rank, place of 14 designation, and list of attrited personnel, on an annual basis on or before the 15 end of April of every year. Provided, That the Secretary of National Defense 16 shall furnish a copy of the report to the Committee on National Defense and Security, Peace, Unification, and Reconciliation of the Senate of the 17 Philippines and the Committee on National Defense and Security of the House 18 19 of Representatives. The Personnel Management Report and any information 20 contained therein shall be confidential in nature.

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TITLE VII MISCELLANEOUS PROVISIONS

SEC. 20. *Appropriations.* – The amount necessary for the effective implementation of this Act shall be charged to the appropriations of the Department of National Defense under the current General Appropriations Act. Thereafter, such sum as may be necessary for its continued implementation shall be included in the annual General Appropriations Act.

SEC. 21. *Construction and Interpretation.* – To protect the state policy and public interest as stated in Section 1 of this Act, this Act shall be given a liberal construction in favor of its provisions so as to further the accomplishment of its declared policies.

32 **SEC. 22.** *Implementing Rules and Regulations.* – The Department of 33 National Defense shall formulate the rules and regulations necessary to 34 implement the provisions of this Act within ninety (90) days from its 35 effectivity. *Provided, That* the IRR shall provide for a systematic, methodical,

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and efficient transition to the new retirement and separation system provided
 for under this Act based on the following basic principles:

- 3(a) The fixed tour of duty provided herein shall apply to4General/Flag Officers appointed by the President after the5effectivity of this Act; *Provided, That* incumbent officers6occupying key positions shall be compulsorily retired pursuant7to the provisions of Presidential Decree No. 1638, as amended8unless said officer is appointed to the position of Chief of9Staff;
- (b) The maximum tenure-in-grade shall only apply to officers and
 enlisted personnel promoted after the effectivity of this Act;
- 12 (c) The transition system shall allow all officers and enlisted 13 personnel an opportunity to compete for promotions and/or 14 complete the requirements for retirement, as may be 15 necessary; and,
- (d) The rules and regulations shall give full respect to the services
 of the officers and enlisted personnel and provide for
 adequate separation and/or retirement benefits as may be
 allowed by existing laws, rules, and regulations.

SEC. 23. *Separability Clause.* – If any provision of this Act is declared unconstitutional, the same shall not affect the validity and effectivity of the other provisions thereof.

SEC. 24. *Repealing Clause.* – Subject to the provisions of Section 22 of
 this Act, the following laws or provisions of laws are hereby repealed or
 amended:

- 26 (a) Sections 3 and 4 of Republic Act No. 8186, as amended, which
 27 provides for the Maximum Tenure-In-Grade and Maximum Tenure
 28 in Position are hereby repealed;
- (b) Section 4 of Presidential Decree No. 1638, which deals with
 optional retirement is hereby amended;
- 31 (c) Sections 5 (a) of Presidential Decree No. 1638, as amended by
 32 Presidential Decree No. 1650, which provides for the Compulsory
 33 Retirement for Military Personnel is hereby amended;
- 34 (d) Sections 10, 11, and 12 of Presidential Decree No. 1638 are hereby
 35 repealed;

- (e) Section 9 of Presidential Decree No. 1638, which provides for retirement in the next higher grade is hereby repealed;
 (f) Section 17 of Presidential Decree No. 1638, which provides for
- retirement benefits based on the next higher grade is hereby amended;
- 6 (g) Section 1 of Republic Act No. 9188, with respect to Officer Grade 7 Distribution is hereby amended;
- 8 (h) Section 4(b) and (c) of Republic Act No. 291, as amended, which
 9 provides for the age of commissionship is hereby amended;
- (i) Section 27 of Commonwealth Act No. 1, which provides for the ageof enlistment is hereby amended; and,
- (j) All laws, executive orders, or issuances, or any part thereof, which
 are inconsistent herewith, are hereby repealed, amended or
 modified accordingly.

15 **SEC. 25.** *Effectivity.* – This Act shall take effect fifteen (15) days after its 16 publication in the Official Gazette and in at least two (2) newspapers of 17 general circulation.

Approved,

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