

[Act No. 3173, November 24, 1924]

AN ACT PROVIDING FOR THE MAINTENANCE IN THE INSULAR TREASURY OF A SPECIAL FUND TO BE KNOWN AS PENSION AND RETIREMENT FUND FOR CERTAIN OFFICERS OF THE PHILIPPINE HEALTH SERVICE, AND PRESCRIBING WAYS AND MEANS FOR ITS CREATION AND APPLICATION, AND FOR OTHER PURPOSES

Be it enacted by the Senate and House of Representatives of the Philippines in Legislature assembled and by the authority of the same:

SECTION 1. *Pension and Retirement Fund of the Philippine Health Service.*—There shall be maintained in the Insular Treasury a special fund to be known as the pension and retirement fund of the Philippine Health Service. Moneys accruing to this fund shall be deposited with the Insular Treasury and shall be used for no other purposes than those hereinafter specified.

SEC. 2. *Sources of the Pension and Retirement Fund.*—To this fund shall accrue all funds and forfeitures resulting from administrative investigations and also all sums to be deducted and retained from the monthly pay of the officers and employees of the Philippine Health Service as specified in section three, subsection (a) of this Act, including the Director, Assistant Director and chiefs of divisions, on the basis of three per centum of their respective monthly salaries.

All such fines, forfeitures, deductions, and retentions shall be noted on the payroll by the disbursing officer paying the salary of any officer of the Philippine Health Service, and before making the payment of salary of any such officer or employee of the Philippine Health Service, such disbursing officer shall verify the exact amount to be deducted in each case and shall, upon making payment, deduct such amount from the salary due said officer or employee.

All amounts so deducted shall be deposited with the Insular Treasury by the disbursing officer who makes the deductions.

SEC. 3. *Application of Pension and Retirement Fund.*— The money pertaining to the pension and retirement fund may, upon recommendation of the Pension and Retirement Board, appointed under section five of this Act, and with the approval of the Department Head, be expended or applied as follows:

(a) *Compensation upon retirement.*—When (a) a medical officer of the Philippine Health Service, including the Director of Health, Assistant Director, chiefs of divisions, chiefs of office and district inspectors and any other medical officers, commissioned or non-commissioned; (&) any pharmacist, dentist, sanitary engineer or assistant sanitary engineer, nurse, sanitary inspector or assistant sanitary inspector, disinfector or assistant disinfector with civil service appointment, belonging to the Philippine Health Service, shall have had twenty or more years of actual service, not having been meanwhile separated from the service for cause, he or she may, upon making application therefor, be retired from active service by the Department Head; and when so retired shall receive until his or her death from the retirement fund above specified an annual compensation equal to two and one-half per cent, for each year's active service heretofore rendered by

such officer, of the salary, properly speaking, exclusive of additional pay and other emoluments such as commutation of quarters, subsistence, and laundry, received by such officer at the time he or she is retired; but in no case shall this retirement pay exceed seventy-five per cent of such total salary: *Provided*, That in computing the length of an officer's term of service the years served in any capacity as hereinbefore specified under the various succeeding health organizations antedating the Philippine Health Service, shall be duly credited to such term of service: *Provided, further*, That whenever any person is readmitted to the Philippine Health Service after the approval of this Act, no period of his services rendered prior to his separation therefrom shall be credited to him for the purposes of this Act.

(b) *Pension for lawful heirs of officers entitled to retirement pay.*—Upon the death of an officer or employee with twenty or more years service and thereupon entitled to retirement pay, fifty per cent of such retirement pay may be transmitted or originally granted, as the case may be, to his or her lawful heirs, the period of the retirement pay so transmitted or originally granted not to exceed ten years: *Provided*, That the expression "lawful heirs" shall be made to include, in the order and precedence herein given, (1) legitimate or recognized children, or in want thereof (2) the surviving lawful wife or husband, or in case none of the two preceding groups of heirs exists, (3) the surviving parents, father or mother, if actually dependent for support upon the deceased, and that the application therefor shall not be made later than one year from the time of the officer's death: *And provided, further*, That no amount of the pension funds shall be paid to children over eighteen years of age or to married children, or to a remarried wife or husband.

(c) *Pension for invalid officers.*—Any officer of the Philippine Health Service who becomes incapacitated to gain a livelihood by reason of accident or other cause incident to the service and in line of duty may be pensioned and retired from active service and, when so pensioned and retired, shall receive until his death from the pension and retirement fund a compensation equal to the full retirement pay to which he is entitled if of twenty or more years service, or to fifty per cent of his current salary if of less than twenty years service: *Provided*, That upon death of an officer under these circumstances, or when an officer or employee dies in consequence of an accident or from any other cause in connection with the performance of his official duties, his lawful heirs may receive the benefits of this Act, under the provisions and in the order specified in subsection (6) of section three of this Act, for a period not to exceed ten years.

SEC. 4. *Ten years' deduction in salary requisite for granting of pension or retirement pay.*—No claim for pension or retirement pay shall be granted to any officer or employee of the Philippine Health Service or his or her legal heirs who fails to have completed ten full years deduction in salary prior to the application therefor: *Provided, however* That in this and similar cases the pension or retirement pay otherwise legally recognized may be granted on condition that the officer or employee concerned or his or her legal heirs agrees upon the deduction to be made on his or her pension or retirement pay, in one or more such installments as to fully cover the unpaid deductions in salaries corresponding to ten full years: *And provided, further*, That in no case shall the deduction thus made be less than the monthly deduction corresponding to the officer's or employee's salary under the provisions of section two of this Act.