

[EXECUTIVE ORDER NO. 28, July 16, 1986]

FURTHER AMENDING CERTAIN PROVISIONS OF REPUBLIC ACT NO. 161, AS AMENDED, OTHERWISE KNOWN AS THE SOCIAL SECURITY LAW.

WHEREAS, paragraph (c) of Sec. 4 of Republic Act No. 1161, as amended, authorizes the Social Security Commission to provide for the feasible increases in benefits and the addition of new ones under such rules and regulations as the Commission may adopt subject to the approval of the President, provided that the actuarial stability or solvency of the Reserve Fund shall be guaranteed, and provided further that such increases in benefits shall not require any increase in contribution;

WHEREAS, the benefit structure for the low income group must constantly be upgraded to keep pace with the changing patterns of the Social Security System Reserve Fund;

WHEREAS, an employer-member of the Social Security System who fails to remit the monthly contributions when they fall due is required to pay in addition to the contributions, a penalty of three percent (3%) per month from the date the contributions fall due, until they are paid;

WHEREAS, the imposition of three percent (3%) penalty per month has added to the burden of the employers inasmuch as after sometime the amount of penalty could even be more than the contributions due;

NOW, THEREFORE, I, CORAZON C. AQUINO, President of the Philippines, do hereby order:

SECTION 1. Section 12(b) of Republic Act No. 116, as amended, is hereby further amended to read as follows:

"SEC. 12(b). The monthly pension shall in no case be less than two hundred pesos nor paid in an aggregate amount of less than sixty times the monthly pension except to a secondary beneficiary."

SEC. 2. Section 13-B of Republic Act No. 1161, as amended, is hereby further amended to read as follows:

"SEC. 13-B. Funeral Benefit - A funeral grant of one thousand five hundred pesos shall be paid to help defray the cost of funeral expenses upon the death of a covered member, permanently totally disabled employee or retiree

SEC. 3. Paragraph (a) of Section 14 and No. (1) thereof, of Republic Act No. 1161, as amended, are hereby further amended to read as follows: