

Republic of the Philippines  
**HOUSE OF REPRESENTATIVES**  
Quezon City



**18TH CONGRESS**  
First Regular Session

**HOUSE BILL NO. 2216**

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**Introduced by Representative Michael L. Romero**

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**EXPLANATORY NOTE**

It is imperative for the republic of the Philippines to realign its resources and funding to be more responsive to the needs of our ***Overseas Filipino Workers***.

The state is cognizant to create a department that can take full charge of their employment repatriation, whenever and wherever the need arises.

This House Bill seeks to create a more effective *institution* better geared to meet the needs of the country's Overseas Workers, to support a comprehensive and continuing development plan, to provide adequate funding, and defining its powers and functions.

Earnest approval of this bill is hereby requested.

**MICHAEL L. ROMERO Ph.D.**

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**HOUSE OF REPRESENTATIVES**  
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**AN ACT**

**CREATING THE DEPARTMENT OF OVERSEAS WORKERS,  
RATIONALIZING THE ORGANIZATION AND FUNCTIONS OF  
GOVERNMENT AGENCIES RELATED TO OVERSEAS  
EMPLOYMENT, AND FOR OTHER PURPOSES**

*Be it enacted by the Senate and the House of Representatives in  
Congress Assembled:*

**CHAPTER I**  
**GENERAL PROVISIONS**

**SECTION 1. SHORT TITLE.** – This Act shall be known as the “**Department of Overseas Workers Act**”.

**SECTION 2. DECLARATION OF POLICIES:**

- (a) In the pursuit of an independent foreign policy and while considering national sovereignty, territorial integrity, national interest and the right to self-determination paramount in its relations with other states, the State shall, at all times, uphold the dignity of its citizens, whether in the country or overseas, in general, and Filipino migrant workers, in particular, continuously monitor international

conventions, adopt/be signatory to and ratify those that guarantee protection to our migrant workers, and endeavor to enter into bilateral agreements with countries hosting overseas Filipino workers.

- (b) The state shall afford full protection to labor, local and overseas, organized and unorganized, and promote full employment and equality of employment opportunities for all. Towards this end, the State shall provide adequate and timely social, economic and legal services to Filipino migrant workers.
- (c) While recognizing the significant contribution of Filipino migrant workers to the national economy through their foreign exchange remittances, the State does not promote overseas employment as a means to sustain economic growth and achieve national development. The existence of the overseas employment program rests solely on the assurance that the dignity and fundamental human rights and freedoms of the Filipino citizens shall not, at any time, be compromised or violated. The State, therefore, shall continuously create local employment opportunities and promote the equitable distribution of wealth and the benefits of development.
- (d) The State affirms the fundamental equality before the law of women and men and the significant role of women in nation building. Recognizing the contribution of overseas migrant women workers and their particular vulnerabilities, the State shall apply gender sensitive criteria in the formulation and implementation of policies and programs affecting migrant workers and the composition of bodies tasked for the welfare of migrant workers.
- (e) Free access to the courts and quasi-judicial bodies and adequate legal assistance shall not be denied to any person by reason of poverty. In this regard, it is imperative that an effective mechanism be instituted to ensure that the rights and interest of distressed overseas Filipinos, in general, and Filipino migrant workers in particular, whether or not with the required documentation, are adequately protected and safeguarded.
- (f) The right of Filipino migrant workers and of all overseas Filipinos to participate in the democratic decision-making process of the State and to be represented in institutions relevant to overseas employment is recognized and guaranteed.
- (g) The State recognizes that the most effective tool for empowerment is the possession of skills by migrant workers. The government shall expand skills development and

enhancement programs of the concerned agencies and shall facilitate access of overseas Filipino workers to these programs through scholarships and/or training subsidies/grants. Pursuant to this and as soon as practicable, the government shall deploy and/or allow the deployment only of skilled Filipino workers.

- (h) The State recognizes that non-governmental organizations, trade unions, workers associations, and other similar duty accredited entities, are partners of the State in the protection of Filipino migrant workers and in the promotion of their welfare. The State shall cooperate with them in a spirit trust and mutual respect. The significant contribution of recruitment and manning agencies shall form part of this partnership.

**SECTION 3. DEFINITION OF TERMS.** – The following terms, as used in this Act, shall mean:

- (a) “*Act*” refers to the “Department of Overseas Workers Act”;
- (b) “*Authority*” refers to a document issued by the Secretary authorizing the officers, personnel, agents, or representatives of a licensed recruitment/manning agency to conduct recruitment and placement activities as a private recruitment entity;
- (c) “*Bonafide Non-Government Organizations (NGO)*” refers to non-government or civil society or faith-based organizations duly recognized by the Philippine Embassy as active partners of the Philippine Government in the protection of Filipino migrant workers and the promotion of their welfare;
- (d) “*Contracted Workers*” refers to Filipino with employment contracts already approved by the Department for overseas deployment;
- (e) “*Direct Hires*” refers to workers directly hired by the employers for overseas employment as authorized by the Secretary of Labor and Employment and processed by the Department, including:
  1. Those hired by International organizations;
  2. Those hired members of the diplomatic corps; and
  3. Name hires or workers who are able to secure overseas employment opportunity with an employer without the assistance or participation of any agency;
- (f) “*Employment Contract*” refers to the following:
- (g) “*Service Contractor*” refers to any person partnership or corporation, as defined under the Corporation Code, duly licensed as a private recruitment agency by the Secretary to

- recruit workers for its accredited projects or contracts overseas;
- (h) "*Gender Sensitivity*" is the recognition of the inequalities and inequities prevalent in society between women and men and a commitment to address these concerns;
- (i) "*Head*" or "*Manage*" refers to any of the following acts:
1. Control and supervise the operations of a recruitment/manning agency or branch thereof of which they are employed; or
  2. Exercise the authority to hire or fire employees and lay down the execute management policies of a recruitment/manning agency or branch thereof;
- (j) "*Joint and Several Liability*" refers to the liability of the foreign principal/employer and the recruitment/manning agency, for any and all claims arising out of the implementation of the employment contract involving Filipino workers for overseas deployment. If the recruitment/manning agency is a juridical entity, the corporate officers and directors and partners, as the case may be, shall themselves be jointly and severally liable with the corporation or partnership for the aforesaid claims and damages;
- (k) "*Irregular/Undocumented Filipino Workers*" refers to the following:
- (1) Those who acquired their passports through fraud or misrepresentation;
  - (2) Those who possess expired visas or permits to stay;
  - (3) Those who have no travel document whatsoever;
  - (4) Those who have valid but inappropriate visas; or
  - (5) Those whose employment contracts were not processed by the Department or subsequently verified and registered on-site by the Philippine Overseas Labor Offices (POLOs), if required by law or regulation;
- (l) "*Licensed*" refers to the document issued by the Secretary authorizing a person, partnership or corporation to operate a private recruitment/manning agency;
- (m) "*Manning Agency*" refers to any person, partnership or corporation duly licensed by the Secretary to engage in the recruitment and placement of seafarers for ships plying international waters and for related maritime activities;
- (n) "*Non-licensee*" refers to an Overseas Filipino who has a medical, psycho-social or legal assistance problem requiring treatment, hospitalization, counselling, legal representation, or any other kind of intervention with the authorities in the country where he or she is found;

- (o) “Overseas Filipinos” refers to migrant workers, other Filipino nationals and their dependents abroad;
- (p) “Overseas Filipino in Distress” refers to an Overseas Filipino who has a medical, psycho-social or legal assistance problem requiring treatment, hospitalization, counselling, legal representation, or any other kind of intervention with the authorities in the country where he or she is found;
- (q) “Overseas Filipino Worker” or “Migrant Worker” refers to a person who is to be engaged, is engaged, or has been engaged in a remunerated activity in a state of which he or she is not a citizen, or on board a vessel navigating foreign seas other than a government ship used for military or non-commercial purposes, or on an installation located offshore or on the high seas. A “person to be engaged in a remunerated activity” refers to an applicant worker who has been promised or assured employment overseas;
- (r) “Placement fees” refers to any and all amounts charged by a private recruitment/manning agency from a worker for its recruitment and placement services as prescribed by the Secretary;
- (s) “Principal” refers to a foreign employer or placement agency hiring or engaging Filipino workers for overseas employment through a licensed private recruitment/manning agency;
- (t) “Private Recruitment/Employment Agency” refers to any person, partnership or corporation duly licensed by the Secretary to engage in the recruitment and placement of workers for overseas employment for a fee which is charged, directly or indirectly, from the workers who renewed their employment contracts with the same principal;
- (u) “Rehires” refers to land-based workers who renewed their employment contracts with the same principal;
- (v) “Regular/Documented Filipino Overseas Migrant Workers” refers to the following:
  - (1) Those who possess valid passports and appropriate visas or permits to stay and work in the receiving country; and
  - (2) Those whose contracts of employment have been processed by the Department, or subsequently verified and registered on-site by the POLO, if required by law or regulation;
- (w) “Seafarer” refers to any person who is employed or engaged in overseas employment in any capacity on board a ship other than a government ship used for military or non-commercial purposes. The definition shall include fisherfolk,

- cruise ship personnel, and those serving on mobile offshore and drilling units in the high seas;
- (x) "Secretary" refers to the Secretary of the Department of Overseas Workers;
- (y) "Skilled Filipino Workers" refers to those who have obtained an academic degree, qualification, or experience, or those who are in possession of an appropriate level of competence, training and certification, for the job they are applying, as certified to by the appropriate government agency; and
- (z) "Underaged Migrant Workers" refers to those who are below 18 years old or below the minimum age requirement for overseas employment as determined by the Secretary.

**SECTION 4. DEPARTMENT OF OVERSEAS WORKERS.** – To implement the above declared policies, there is hereby created the Department of Overseas Workers, hereinafter referred to as the Department, which shall prepare, integrate, coordinate, supervise, and control all plans, programs, projects, and activities of the Government relative to overseas employment.

**SECTION 5. POWERS AND FUNCTIONS** – The Department shall be the lead government agency responsible for the formulation and implementation of policies and programs for the overseas employment of Filipino workers. In coordination with appropriate entities, it shall formulate and undertake a systematic program for promoting and monitoring the overseas employment of Filipino workers, including seafarers, taking into consideration domestic manpower requirements and the need to protect their rights to fair and equitable employment practices. It shall have original and exclusive jurisdiction over all cases involving employer-employee relations, documented or undocumented/irregular workers, arising out of or by virtue of any law or contract involving Filipino workers for overseas employment.

## **CHAPTER II**

### **THE DEPARTMENT PROPER**

**SECTION 6. COMPOSITION** – The Department Proper shall be composed of the Office of the Secretary and the Offices of the Undersecretaries and Assistant Secretaries, and divisions of the Department. The Secretary, Undersecretaries, and Assistant Secretaries shall be appointed by the President.

**SECTION 7. OFFICE OF THE SECRETARY** – The Office of the Secretary shall consist of the Secretary and his immediate staff.

The Secretary shall have the following powers and functions:

- (1) Establish the policies and standards for the operation of the Department pursuant to the approved programs of government;
- (2) Promulgate rules and regulations necessary to carry out department objectives, policies, functions, plans, programs and projects;
- (3) Promulgate administrative issuances necessary for the efficient administration of the offices under the Secretary and for proper execution of the laws relative thereto. These issuances shall not prescribe penalties for their violation, except when expressly authorized by law;
- (4) Exercise disciplinary powers over officers and employees in accordance with law, including the conduct of investigations or designation of a committee or officer to conduct such investigation;
- (5) Appoint all officers and employees of the Department except those whose appointments are vested in the President or in some other appointing authority; *Provided however, That* where the Department is regionalized on a department-wide basis, the Secretary shall appoint employees to positions in the second level in the regional offices as defined in the Administrative Code of 1987;
- (6) Exercise jurisdiction over all bureaus, offices, agencies, and corporations under the Department as are provided by law, and in accordance with the applicable relationships as specified in Chapters 7, 8, and 9 of the Administrative Code of 1987;
- (7) Delegate authority to officers and employees under the Secretary's direction in accordance with this Act; and
- (8) Perform such other functions as may be provided by law.

**SECTION 8. THE UNDERSECRETARIES** – The Secretary shall be assisted by four (4) Undersecretaries, one each for the International Labor

Affairs Office, the Funds and Investment Management Office, the Licensing and Regulation Office, and for the Employment and Welfare Office.

A. The general functions of the Undersecretaries are as follows:

- 1) Advice and assist the Secretary in the formulation and implementation of department objectives and policies;
- 2) Oversee all the operational activities of the department for which he shall be responsible to the Secretary;
- 3) Coordinate the programs and projects of the department and be responsible for its economical, efficient and effective administration;
- 4) Serve as deputy to the Secretary in all matters relating to the operations of the department;
- 5) Temporarily discharge the duties of the Secretary in the latter's absence or inability to discharge his duties for any cause, or in case of vacancy of the said office, unless otherwise provided by law. Where there are more than one undersecretary, the Secretary shall allocate the foregoing powers and duties among them. The President shall likewise make the temporary designation of Acting Secretary from among them; and
- 6) Perform such other functions and duties as may be provided by law.

B. Special Functions

- 1) *Undersecretary for International Labor Affairs Office* shall advise the Secretary on the various international labor agreements to which the government is a party and monitor our compliance therewith. He/she shall exercise technical supervision over the POLOs, ensuring that programs and projects of the labor offices in the different parts of the globe are consistent with international labor and department policies. Moreover, where there are a number of OFW- and labor- related concerns, Filipino Workers Resource Centers (FWRCs) shall be established and the operations of which shall be supervised by POLOs.

The International Labor Affairs Office shall have the following divisions: Asian Affairs Division, American and Pacific Affairs Division, European Affairs Division, and the Middle Eastern and African Affairs Division.

- 2) *Undersecretary for Funds and Investment Management Office* shall provide the services for the efficient and effective management of the Overseas Workers Trust Fund created in Section 12, including the maintenance of computer-based financial data management system

pertaining to collection, fund transfer, investment and assets management. It shall consolidate all Department collections and contributions, and ensure an efficient collection and reporting system. The Undersecretary shall head the Board which is created in Section 13 and shall also be tasked to formulate a medium and annual term investment plan for the Trust Fund, for approval of the Board.

- 3) *Undersecretary for Licensing and Regulation* shall have the following powers and function:
  - a. Process applications for license or authority to operate recruitment or manning entities, and recommend to the Secretary appropriate action thereon;
  - b. Recommend to the Secretary appropriate actions for violations of the conditions of license or authority including the suspension or cancellation or revocation thereof;
  - c. Monitor the status of cash and surety bonds and require the replenishment or renewal thereof;
  - d. Maintain an updated list of licensed or authorized employment agencies for the guidance of the public;
  - e. Prepare and implement and inspection program for the effective supervision and evaluation of the activities of private employment or manning agencies;
  - f. Prepare and implement an inspection program for the eradication of illegal recruitment activities and provide support services to the inter-agency council on illegal recruitment in its campaign against illegal recruitment;
  - g. Prepare and implement programs for the evaluation of employment agencies and manning companies in pursuance of the regulatory functions of the office and in aid of policy formulation;
  - h. Formulate and implement programs for standardization of allowable fees to be charged by private employment entities, medical clinics and testing centers;
  - i. Review and evaluate requirements for issuance of license and authorities;
  - j. Review and evaluate service or employment and shipping agencies, specifying therein the minimum terms and conditions of employment of overseas Filipino workers;

- k. Formulate and implement programs for the effective monitoring of foreign exchange remittances of overseas contract workers.
- 4. *Undersecretary for Employment and Welfare* shall implement and deliver programs and services through regional and on-site operations. It shall supervise the operations of the following:
  - a. Regional operations Coordination Service – Supervises and provides technical and administrative support to Regional Welfare Offices (RWOs).
    - 1. Regional Welfare Offices (RWOs)
      - a. Administrative and Finance Unit – provides administrative support services to the RWO and maintains a sound and adequate regional branch accounting system.
      - b. Program Services Division – administers and implements efficient delivery of programs and services in the regions.
    - 2. Overseas Operations Coordination Services – Supervises and provides administrative and technical support to Overseas Welfare Office Operations.
      - a. Overseas Welfare Office – Implements programs and services to member-OFWs.

**SECTION 9. ASSISTANT SECRETARIES** – The Secretary shall also be assisted by three (3) Assistant Secretaries, one (1) for Management Services, one (1) for Policy and International Affairs, one (1) for Regional Operations and Licensing.

A. The general functions of the Assistant Secretaries are as follows:

- 1. Advise and assist the Secretary and/or Undersecretaries in the formulation, determination and implementation of laws, policies, plans, programs and projects on overseas labor and employment;
- 2. Oversees the day-to-day administration of the constituent units of the Department;
- 3. Perform the duties of the Undersecretaries during their absence or in case of vacancy of such position in the Department upon designation by the Secretary; and

4. Perform such other functions as may be provided by law or assigned by the Secretary and/or Undersecretaries from time to time.

B. Specific Functions

1. Assistant Secretary for Management Services shall have the following functions:

- a.\* Advises and assists the Secretary and the Undersecretaries in the formulation and implementation of the Department's policies, plans, progress, and projects as they relate to general management, information and publication, personnel, finance and other support services under the Department Proper.
- b. Supervises the operational activities of the following offices:
  1. Administrative Service
  2. Financial and Management Service
  3. Human Resource Development Service
  4. Information and Publication Service

- C. Performs such other functions as may be provided by law or assigned by the Secretary and/or Undersecretaries from time to time.

2. Assistant Secretary for Policy and International Affairs shall have the following functions:

- a. Advises and assists the Secretary and the Undersecretaries in the formulation of the Department's over-all long-range and short-term plans and programs on overseas employment, with special focus on the government's compliance with international labor agreements;
- b. Reviews and evaluates the progress/status of projects and accomplishments in relation to set standards, objectives and schedules;
- c. Supervises the operational activities of the International Labor Affairs Service and Planning Service; and
- d. Perform such other functions as may be provided by law or assigned by the Secretary and/or Undersecretaries from time to time.

3. Assistant Secretary for Regional Operations shall have the following functions;

- a. Advises and assists the Secretary and the Undersecretaries in the formulation and implementation of the Department's objectives and policies at the regional level;
- b. Supervises the administration and operations of the regional offices;
- c.\* Promotes coordination of efforts between and among the regional offices and the regional branches of attached

- agencies to insure efficient, effective and economical implementation of the Department's policies, plans, programs and projects at the regional level;
- d. Monitors and assesses developments in the regions with a view to providing the divisions and other offices in the Department, necessary information for policy and program formulation and implementation;
  - e. Advises and assists the Secretary and the Undersecretaries in the resolution of appealed labor standards cases; and
  - f. Performs such other functions as may be provided by law or assigned by the Secretary and/or Undersecretaries from time to time.

**SECTION 10. OFFICE OF THE LEGAL ADVISER** – The Office of the Legal Adviser shall be headed by a Legal Adviser, who shall be a career officer and shall be reporting directly to the Secretary. However, the Legal Adviser may be appointed by the President upon the recommendation of the Secretary, from outside the career service. His term shall be co-terminus with the tenure of the Secretary, unless sooner terminated. The Legal Adviser shall provide legal advice and service to the Department.

It shall provide legal service for the Department's internal and external requirements, including but not limited to, the drafting of legislative proposal and provision of opinion on bills, and rules and regulations affecting the Departments and its operations.

The Office of the Legal Adviser shall have a staff complement of personnel with the necessary competency and skills requirement.

**SECTION 11. OFFICES AND DIVISIONS** – Subject to the power of the Secretary with the approval of the President, to reorganize, restructure, and redefine the functions of the offices and divisions for the effective discharge of the powers and functions of the Department under this Act, the Department shall have the following offices and divisions:

The divisions and offices shall have the following powers and function:

- A. Internal Audit Division – Reviews and evaluates the soundness, adequacy and application of accounting, financial and other management procedures and promotes an effective control system at reasonable costs.
- B. Membership Processing Center – Provides and implements policy guidelines on membership and contribution of OFWs.
- C. Procurement and Property Management – Manages the procurement, storage and issuance of supplies, materials and equipment as well as the disposal of obsolete and excess materials and supplies.
- D. Human Resources Management and Development Division – Manages and administers a comprehensive personnel program pertaining to recruitment, placement, career and employee development, and other personnel services and actions.
- E. Engineering and General Services Division – Formulates and implements a building and equipment maintenance program.
- F. Records Management Division – Develops and maintains a system of retrieval, maintenance, safekeeping, authentication and disposal of documents and records.
- G. Budget Division – Manages the budgetary system and monitors fund utilization and provides annual budget guidelines.
- H. Accounting Division – Implements systems and procedures for appropriate accounting and financial transactions including the management of sub-systems in the regional and overseas operating units. It shall ensure compliance with New Government Accounting System (NGAS).
- I. Cash Division – Implements systems and procedures on collection disbursement.
- J. Repatriation and Assistance Division – Facilitates family inquiries regarding cases and circumstances of their OFW-relatives, documented or irregular/undocumented Filipino overseas workers. It shall maintain a case management and documentation system, and manage the repatriation program to include airport assistance and provision of counseling services, medical and rehabilitation assistance to OFWs.
- K. Program Services Division – Administers and implements efficient delivery of programs and services for the OFWs in the region.
- L. Advocacy and Social Marketing Division – Establishes and maintains public information counters, website and hotlines. It shall cause the mounting of membership campaigns and development of information materials, press releases and mass

media packages designed to manage public perception of the Department.

M. Grievance and Adjudication Division shall have the following powers and function:

1. Provides legal assistance to OFWs;
2. Provides mandatory conciliation of complaints;
3. Performs legal research and docketing of cases;
4. Hears and arbitrates complaints and cases filed against recruitment and manning agencies, foreign principals and employers through their agents, and OFWs for reported violation of Department Rules and Regulation; and
5. Enforce all writs.

N. National Reintegration Center for OFWs Division – The NCRO shall undertake the following:

1. Develop support programs and projects for livelihood, entrepreneurship, savings, investment and financial literacy for returning Filipino overseas migrant workers and their families, in coordination with relevant stakeholders, service providers and international organizations;
2. Coordinate with appropriate stakeholders, service providers, and relevant international organization for the promotion, development and the full utilization of the skills and potentials of returning overseas Filipino workers;
3. Institute, in cooperation with other government agencies concerned, a computer-based information system on returning Filipino overseas migrant workers which shall be accessible to all local recruitment agencies and employers, both public and private;
4. Provide a periodic study and assessment of job opportunities for returning Filipino overseas migrant workers;
5. Develop and implement other appropriate programs to promote the welfare of returning Filipino overseas migrant workers;
6. Maintain an internet-based communication system for online registration of returning OFWs and interaction with clients, and maintain and upgrade computer-based service capabilities of the NCRO;

7. Develop capacity-building programs for returning overseas Filipino workers and their families, implementers, service providers and stakeholders;
8. Conduct research for policy recommendations and program development; and
9. Undertake other programs and activities as may be determined by the Department.

O. Pre-Departure Divisions shall have the following powers and functions:

1. Maintains a manpower registry of applicants for overseas and seafaring employment.
2. Accredits foreign employers and principals.
3. Processes and documents employment contracts.
4. Assists and validates documents at exit points.
5. Undertakes global mapping and profiling of OFWs.
6. Client servicing for government employers hiring through government to government arrangements.
7. Issues Seafarers Identification Document.

P. International Relations Division – shall have the following powers and functions:

1. Develops and monitors new markets and conducts market research; and
2. Enters into a Memoranda of Understanding on the hiring of Filipino workers with labor-receiving countries.

Q. Crisis Management Center – shall provide under the Office of the Secretary, shall operate on a 24-hour basis including Saturdays, Sundays, and holidays. A counterpart 24-hour Information and Assistance Center to ensure a continuous network and coordinative mechanism shall be established at the DFA and the DOLE/Department.

R. Administrative and Financial Management Office – Supervises administrative and support services. It shall manage all financial transactions and concerns of the Secretariat; formulate, review and implement administrative and financial systems and procedures.

1. General Administrative Service – Manages the administrative systems and procedures relating to human resource, property, procurement and maintenance, records management and general services.
2. Financial Management Service – Formulates, reviews and implements systems and procedures on budget, accounting and cashiering.

## **CHAPTER III**

### **THE OVERSEAS WORKERS TRUST FUND**

**SECTION 12. OVERSEAS WORKERS TRUST FUND** – There is hereby created an Overseas Workers Trust Fund, hereinafter referred to as the Trust Fund which shall be lodged in the Department. All fees and charges paid by an overseas worker pursuant to an approved overseas employment contract shall accrue to the Trust Fund.

The existing overseas fund lodged in the OWWA shall be transferred to the Trust Fund herein created.

**SECTION 13. OVERSEAS WORKERS TRUST FUND BOARD** – In order to manage and administer the Trust Fund, an Overseas Workers Trust Fund Board is hereby created.

The Board shall be composed of the Undersecretary for funds and Investment Management who shall be designated as the Chairperson, and six (6) members to be appointed by the President of the Philippines upon the recommendation of the Secretary.

Four members shall have distinguished themselves in the field of finance, economics, law or related disciplines either in public or private capacity for at least ten (10) years;

Provided that, at least two (2) of the four (4) shall be certified public accountants.

The fifth and sixth members shall come from the overseas workers sector and shall be nominated by accredited OFW organizations;

Provided further, that the nominees shall have been an overseas worker for at least three (3) years.

## **CHAPTER IV**

### **TRANSITORY PROVISIONS**

**SECTION 14. TRANSFER OF POWERS AND FUNCTIONS** – the powers and functions of the OWWA and POEA and pertinent offices under the Department of Labor and Employment (DOLE) and the Department of Foreign Affairs (DFA) are hereby transferred to the Department.

The foregoing transfer of powers and functions shall include all applicable funds, personnel, records, property and equipment as maybe necessary.

The same shall apply to agencies which have been attached to the Department by the virtue of this Act.

**SECTION 15. TRANSFER OF RIGHTS, ASSETS AND LIABILITIES** – the Department shall, by virtue of this Act, be subrogated to all rights and assume all the liabilities of the OWWA and POEA and all other agencies or government units whose functions and powers have been transferred to the Department.

All contracts and liabilities of said offices, agencies and government units are hereby transferred to and assumed by the department and shall be acted upon in accordance with the Auditing Code and other pertinent laws, rules and regulations;

Provided that, the officers and employees of said offices, agencies and government units shall continue in a holder capacity until such time as the new offices and employees of the Department shall have been duly appointed pursuant to the provisions of this Act.

**SECTION 16. STRUCTURE AND STAFFING PATTERN** – the organizational framework and staffing pattern of the Department shall be prescribed and approved by the Secretary within sixty (60) days after the

approval of this act and authorized positions created therein shall be filed by regular appointments by the President or Secretary, as the case maybe;

Provided that, in the filing of the positions created, preference shall be given to the personnel of the affected agencies.

**SECTION 17. SEPARATION FROM SERVICE** – employees separated from the service as a result of this recognition shall, within six (6) months from their separation from the service, receive the retirement benefits to which they maybe entitled under existing laws, rules and regulations.

## **CHAPTER V**

### **APPROPRIATION**

**SECTION 18. APPROPRIATIONS** – such sums as maybe necessary for the implementation of this act shall be taken from the current fiscal year of appropriations of the OWWA and POEA and pertinent offices of the DOLE and DFA.

Thereafter, the amount needed for the operation and maintenance of the Department shall be included in the annual General Appropriations Act (GAA) on the year of the enactment of this act.

## **CHAPTER VI**

### **MISCELLANEOUS PROVISIONS**

**SECTION 19. DISCLOSURE AND INVESTMENT OF FINANCIAL INTEREST** – before assumption of office, the Secretary, the Undersecretaries, and the Assistant Secretaries shall submit to the Civil Service Commission (CSC) a list of all companies, partnership, business enterprises, including nonprofit organizations in which he/she, or any immediate member of their families within the second degree of consanguinity or affinity have any form of financial interest or employment relationship, including consultancy;

Provided however, that all other forms of employment relationship held by the heads of offices of the Department shall be immediately terminated upon assumption of office.

Within thirty (30) days thereafter, complete divestments of financial interests in any institution, firm or company which fall under the supervisory or regulatory jurisdiction of the Department shall be made;

Provided however, that in cases where confirmation of appointment by the Commission on Appointments is required, the divestment mandated herein shall be complied within thirty (30) days after such confirmation.

The divestment prescribed in the preceding paragraph shall likewise apply to the member of the immediate family within the second degree of consanguinity having interest in any institution or activity which falls under the regulatory jurisdiction or supervision of the Department and its attached agencies.

**SECTION 20. SUPPLETORY CLAUSE** – the Labor Code of the Philippines, as amended shall have suppletory applicability.

**SECTION 21. REPEALING CLAUSE** - All laws, executive orders, issuances, rules and regulations inconsistent with this Act are hereby amended, repealed or modified accordingly.

**SECTION 22. SEPARABILITY CLAUSE** - If, for any reason or reasons, any portion or provision of this Act shall be held unconstitutional or invalid, the remaining provisions not affected thereby shall continue to be in full force and effect.

**SECTION 23. EFFECTIVITY CLAUSE** - This Act shall take effect fifteen (15) days after its publication in any newspaper of general circulation.

Approved,