

Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City

EIGHTEENTH CONGRESS
FIRST REGULAR SESSION

House Bill No. 1439



Introduced by **Representative Luis Jose Angel N. Campos, Jr.**

EXPLANATORY NOTE

Roughly ten percent of the Philippine population reside and work abroad, remitting through formal channels an annual average of Twenty Five Billion US Dollars (\$ 25,000,000,000.00). Ironically, despite the Diaspora's growing size, and the unparalleled, reliable, steadfast contributions to the Philippine economy of Filipinos overseas, our migrants find themselves without a real, dedicated "home" in the government bureaucracy.

The responsibility for their well-being cuts across several agencies and departments, leading to finger-pointing in times of crisis, and worse, inaction when the life of an overseas worker hangs in the balance unless prodded by the media and/or other branches of government.

For example, repatriation assistance is offered to our overseas Filipino workers by at least three different offices: the Philippine Overseas Employment Administration that has jurisdiction over local recruitment agencies, the Overseas Workers' Welfare Administration, a Trust Fund set up only for members of Overseas Filipino Workers but not for non-members, and the Department of Foreign Affairs that has its own Assistance-to-Nationals fund. This leads to confusion on the parts of distressed workers seeking government assistance.

From the day of application an OFW (Overseas Filipino Workers) needs to go through at least seven (7) agencies: 1) Department of Foreign Affairs, DFA, for Passport; 2) Philippine Statistics Authority, PSA, for Birth Certificate 3) National Bureau of Investigation, NBI, for clearance (part of the application process); 4) enrolment in Pag-IBIG, PhilHealth and OWWA as mandatory members; 5) Technical Education and Skills Development Authority, TESDA, for skills assessment/training; 6) Philippine Overseas Employment Administration, POEA for the Overseas Employment Certificate (OEC); 7) Bureau of Immigration to ensure that all papers are in order and the worker need not be subjected to departure formalities.

Meanwhile, those leaving abroad as spouses of foreigners or as foreign students or as permanent residents or emigrants, would have to deal with a different agency as well, the Commission on Filipinos Overseas (CFO) that has no regional presence to serve a nationwide constituency.

President Rodrigo Duterte promised to create a department for our overseas workers, in recognition of their valiant efforts to rise above poverty and sustain the needs of their families and the nation as a whole. This bill seeks to build on that promise, and fulfill it

guided solely by the need to establish accountability and transparency, promote speedy, effective and more convenient services, and boost development through more cohesive reintegration programs and family-oriented services.

Some stakeholders are opposed to the idea of creating a department separate from the DOLE. They maintained that the Philippine overseas employment program is recognized as a migration model and that the systems were in place and working well. They added that instead of putting up another agency, there should be concerted effort among the government agencies concerned with OFWs to improve and strengthen inter-agency cooperation. One group opined that the putting up of a department for OFWs would “legitimize the labor export policy of the government.”

The answer to such fears lies in the name of the Department itself. The proposed Department of Migration and Development (DMD) will help ensure that global migration leads not to the breaking up of the Filipino family due to socio-economic pressures, but to the inclusion, growth, and development of a vibrant migrants’ sector as change agents for a brighter, collective future. In more than four (4) decades of Philippine Migration history, there was never an honest to goodness Program that was effectively put in place to harness the full potential and expertise of Overseas Filipinos. From deciding whether to leave at all to the process of re-entering the mainstream domestic workforce as a former Filipino migrant—the DMD as envisioned, would be there to serve, protect, and secure the rights and well-being of every Filipino overseas and his or her family at home.

It is for this reason that every effort must be made to ensure this bill’s timely passage.



REP. LUIS JOSE ANGEL N. CAMPOS, JR.

Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City

EIGHTEENTH CONGRESS
FIRST REGULAR SESSION

House Bill No. 1439

Introduced by **Representative Luis N. Campos, Jr.**

AN ACT
CREATING THE DEPARTMENT OF MIGRATION AND DEVELOPMENT,
DEFINING ITS POWERS AND FUNCTIONS, AND APPROPRIATING FUNDS
THEREFOR, AND FOR OTHER PURPOSES

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

SECTION 1. *Short Title.* - This Act shall be known as the “Department of Migration and Development Act.”

SEC. 2. *Declaration of Policy.* -The State shall protect and promote the rights of all Filipinos living and working overseas with the end in view of ensuring their safety, health, freedom from abuses, development, and general well-being. It shall secure and broaden the socio-economic opportunities of overseas Filipinos within the national borders of the country. The State shall also guarantee their right to efficient and convenient services.

SEC. 3. *Definition of Terms.* - As used in this Act:

- a) *Act* refers to the “Department of Migration and Development Act”;
- b) *Contract Workers* refers to Filipino workers with employment contracts already approved by the Department for overseas deployment;
- c) *Department* refers to the Department of Migration and Development;
- d) *Employment Contract* refers to the following:
 - 1. For land-based workers hired by private recruitment or employment agencies
 - a written agreement between the foreign principal or employer and the

worker based on the master employment contract approved by the Department; and

2. For seafarers – a written standard Department-approved employment contract stipulating a specific period of employment and formulated through tripartite consultation, individually adopted and agreed upon by the principal or employer and the seafarer.
- e) *Irregular or Undocumented Overseas Filipinos* 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.
- f) *Labor Migration* refers to the movement of persons from one State to another, or within their own country of residence, for the purpose of employment;
- g) *License* refers to the document issued by the Secretary of DMD authorizing a person, partnership or corporation to operate a private recruitment or manning agency;
- h) *Migration* refers to the movement of a person or a group of persons, either across an international border, or within a State. It is a population movement, encompassing any kind of movement of people, whatever its length, composition and causes; it includes migration of refugees, displaced persons, economic migrants, and persons moving for other purposes, including family reunification;
- i) *Migrant Worker's Family* refers to the persons married to migrant workers or having with them a relationship that, according to applicable laws, produces effects equivalent to marriage, as well as their dependent children and other dependent persons who are recognized as members of the family by applicable legislation or applicable bilateral or multilateral agreements between the States concerned;
- j) *Non-licensee* refers to any person, partnership or corporation engaged in the recruitment and placement of Overseas Filipino workers without a license, or whose license has been revoked, cancelled, terminated, has expired or otherwise

delisted from the roll of licensed recruitment or manning agencies registered with the Department;

- k) *Overseas Filipinos* refers to migrant workers, other Filipino nationals and their dependents abroad, Filipino permanent migrants or permanent resident abroad, Filipino overseas who have become naturalized citizens of other countries or dual citizens, Filipino spouses and other partners of foreign nationals leaving the country, descendants of Filipinos overseas, Filipino youth overseas and exchange visitor program participants;
- l) *Overseas Filipinos in Distress* refers to an Overseas Filipino who has a medical, psycho-social, labor and employment related or legal assistance problem requiring treatment, hospitalization, counseling, legal representation, or any other kind of intervention while and upon return to the country or in the country where he or she is found;
- m) *Overseas Filipino 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 the 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;
- n) *Principal* refers to a foreign employer or placement agency hiring or engaging Filipino workers for overseas employment through a licensed private recruitment or manning agency;
- o) *Regular or 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;
- p) *Reintegration* refers to the process of integrating returning Overseas Filipinos back in the country. this includes properly guiding and assisting them in adapting life in their homeland in a holistic approach by addressing their social, emotional, cultural, and economic needs, among others, and giving them opportunities and

support to further develop and utilize the skills, expertise and resources they gained abroad; and

- q) *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, and shall include fisherfolk, cruise ship personnel, and those serving on mobile offshore and drilling units in the high seas.

SEC. 4. *Creation of a Department of Migration and Development.* To implement the policies and provisions enunciated in this Act, there is hereby created a Department of Migration and Development, hereinafter referred to as the Department.

SEC. 5. *General Mandate.*

(a) Integrated National Framework on Migration and Development. - The Department shall be the primary entity of the Executive Branch of the government that will establish and implement the Integrated National Framework on Migration and Development.

The Integrated National Framework shall be formulated, in coordination with NGOs, POs, the academe and other concerned entities, within six (6) months following the effectivity of this Act. The framework shall embody, among other things, components for administrative and service efficiency goals, professionalism of overseas contracts, diplomatic strategies, and developmental objectives for experts and skilled workers that can be utilized for nation building in the country.

The framework shall be the official roadmap on which the implementation of the National Migration and Development Agenda shall be based.

(b) National Migration and Development Agenda – Within six (6) months following the completion of the Integrated National Framework on Migration and Development, the Department shall formulate, in coordination with concerned agencies and stakeholders, and implement the National Migration and Development Agenda. The Agenda shall be the action plan necessary to execute the components established in the national framework

SEC. 6. *Powers and Functions.* – The Department shall:

- a. Establish, formulate, and implement the Integrated National Framework on Migration and Development and the National Migration and Development Agenda
- b. Develop a long-term, medium-term and annual implementing programs consistent with the national migration and development agenda, in coordination with concerned government agencies and stakeholders;

- c. Create a National Skills Registry of all Overseas Filipinos which shall be linked to local industries and government agencies;
- d. Formulate and implement policies, plans and programs for manpower development and training to equip our labor sector with the necessary skills for the global market;
- e. Protect and promote the interest of Overseas Filipinos and their families at all times by securing for them the most equitable terms and conditions in the global market;
- f. Ensure the efficiency of OFW membership collection, viability and sustainability of the OFW Fund through sound, judicious, disbursement, investment and fund management policies;
- g. Protect and promote the interest of Overseas Filipinos and their families by providing a comprehensive and responsive social services protection program on labor migration, including the strengthening of the on-site welfare and legal services in the Philippine missions;
- h.** Strengthen the repatriation and reintegration services for Overseas Filipinos including linkage to local industry in order to facilitate their re-entry into their communities, and to provide opportunities for domestic employment;
- i. Provide and ensure the fair and expeditious settlement and disposition of cases involving Overseas Filipinos, through conciliation and adjudication, giving priority to mediation, voluntary arbitration, and other modes that may be voluntarily agreed upon by the parties, and as may be provided by law;
- j. Strengthen workers' education for Overseas Filipinos and their families, including subjects on financial management, entrepreneurship, among others;
- k.** Strengthen the social protection mechanism in order to ensure reasonable, if not mandatory coverage of all Overseas Filipinos;
- l. Enhance labor policy research and development to keep the Department abreast of global trends in migration;
- m. Gather, receive and maintain an updated data base of Overseas Filipinos which are accessible and available to the different agencies and general public compliant with the National Privacy Commission Act;
- n. Develop, publish, disseminate and implement a joint manual of operations for evacuation and repatriation of Overseas Filipinos;

- o. Develop a twenty (20) year labor migration and deployment sunset plan with specific targets on sector, types of job and occupation, country of destination linked to return and reintegration program;
- p. Intensify the campaign against illegal recruitment, trafficking in persons and other related offenses;
- q. Create sectoral, industry, or geographic task forces, technical working groups, advisory bodies, or committees in furtherance of its mandate and objectives. Private sector representatives may be designated as members of such working groups in addition to representatives drawn from local and national government agencies, as the need arises;
- r. Uphold tripartism consultation wherein dialogue and cooperation between government, concerned workers, and employer are ensued in the formulation of policies, standards, guidelines and decisions affecting the overseas Filipino workers;
- s. Exercise regulatory functions over training centers and medical providers for Overseas Filipinos;
- t. Converge with other concerned government agencies in securing bilateral or multi-lateral agreements on migration and development; *and*
- u. Perform such other functions as may be necessary to execute this Act.

SEC. 7. *Composition.* –The Department shall be composed of the Office of the Secretary and the various bureaus, services and regional offices. The Department Proper shall be composed of the Office of the Secretary, the Offices of the Undersecretaries, the Offices of the Assistant Secretaries and their immediate support staff. (DBM)

SEC. 8. *Secretary of Migration and Development.* – The Secretary shall be appointed by the President, subject to confirmation by the Commission on Appointments. The Secretary shall have the following functions:

- a. Provide executive direction and supervision over the entire operations of the Department and its attached agencies;
- b. Coordinate and oversee all policies and programs relevant to migration and development;
- c. Establish policies and standards for the effective, efficient, economical, and streamlined operations of the Department, in accordance with the programs of government;

- d. Review and approve requests for financial and manpower resources of all operating offices of the Department;
- e. Appoint and designate officers and employees of the Department, excluding the Undersecretaries and Assistant Secretaries, and regional and assistant regional directors in accordance with the Civil Service laws, rules and regulations;
- f. Exercise disciplinary powers over officers and employees of the Department in accordance with law, including the conduct of investigations and the designation of a committee or officer to conduct such investigation;
- g. Collaborate with other government agencies and various stakeholders, including industry associations, civil society groups, nongovernment organizations and Filipino communities overseas on the Department's policies and initiatives;
- h. Advise the President on the promulgation of executive and administrative orders and formulation of regulatory and legislative proposals on matters pertaining to migration and development;
- i. Formulate rules and regulations and exercise such powers as may be required to implement the objective of this Act; and
- j. Perform such other tasks as may be provided by law or assigned by the President.

SEC. 9. *Undersecretaries.* - The Secretary shall be assisted by four (4) undersecretaries who shall be appointed by the President upon the recommendation of the Secretary: *Provided*, That one (1) of the Undersecretaries shall be a career officer.

SEC. 10. *Assistant Secretaries.* - The Secretary through the Undersecretary, shall be assisted by five (5) assistant secretaries who shall be appointed by the President of the Philippines upon the recommendation of the Secretary: *Provided*, That priority shall be given to career officers.

SEC. 11. *Qualifications.* - No person shall be appointed Secretary, Undersecretary or Assistant Secretary of the Department unless he or she is a citizen and resident of the Philippines, of good moral character, of proven integrity and relevant exposure and competence in the field of migration and development for at least ten (10) years for the undersecretaries and five (5) years for the assistant secretaries, respectively.

SEC. 12. *Regional Offices.* The Department may establish, operate, and maintain a regional office in the different administrative regions of the country. Each regional office shall be headed by a Regional Director, who may be assisted by one (1) Assistant Regional

Director. The regional offices shall have, within their respective administrative regions, the following functions:

- a. Implement laws, policies, plans, programs, projects, rules and regulations of the Department;
- b. Provide efficient and effective service to program beneficiaries and all stakeholders;
- c. Coordinate with regional offices of other departments, offices, and agencies;
- d. Coordinate with the Local Government Units (LGUs); and
- e. Perform such other functions as may be provided by law or assigned by the Secretary.

SEC. 13. *Abolition and Transfer of Agencies and Personnel.* –

- (a) The following agencies are hereby abolished and their powers and functions, applicable funds and appropriations, records, equipment, property, and personnel transferred to the Department:

- (1) Philippine Overseas Employment Administration (POEA); and
- (2) Overseas Workers Welfare Administration (OWWA).

- (b) The following bureaus, offices and agencies are hereby transferred to the Department:

- (1) Office for the Undersecretary for Migrant Workers Affairs of the Department of Foreign Affairs;
- (2) International Labor Affairs Bureau, including all Philippine Overseas Labor Offices, with direct supervision over labor attaches and welfare officers and the Filipino Workers Resource Centers;
- (3) Overseas Absentee Voting Secretariat of the Department of Foreign Affairs;
- (4) Commission on Filipinos Overseas of the Office of the President;
- (5) National Maritime Polytechnic of the Department of Labor and Employment; and
- (6) Pertinent offices of MARINA in relation to international seafaring under the Department of Transportation (DOTr).

- (c) The laws and rules on government reorganization as provided for in Republic Act No. 6656, otherwise known as the Reorganization Law, shall govern the reorganization process of the Department.

SEC. 14. *Separation and Retirement from Service.* – Employees separated from the service as a result of this reorganization, shall within ninety (90) days therefrom, receive the retirement benefits to which they may be entitled under existing laws, rules, and regulations. In addition to said retirement benefits, the affected personnel who would opt to retire or be separated shall be entitled to the following applicable separation incentives:

- 1) One half ($\frac{1}{2}$) of the actual monthly basic salary for every year of government service, for those who have rendered less than eleven (11) years of service;
- 2) Three fourth ($\frac{3}{4}$) of the actual monthly basic salary for every year of government service, computed starting from the first (1st) year, for those who have rendered eleven (11) to less than twenty-one (21) years of service;
- 3) the actual monthly basic salary for every year of government service, computed starting from the first (1st) year, for those who have rendered twenty-one (21) to less than thirty-one (31) years of service; and
- 4) One and one fourth ($1\frac{1}{4}$) of the actual monthly basic salary for every year of government service, computed starting from the first (1st) year, for those who have rendered thirty-one (31) years of service and above.

The actual monthly basic salary shall refer to the salary of the affected personnel as of the date of approval of the agency's detailed organizational structure and staffing by the DBM. A minimum of five (5) years of government service is required in order for an affected personnel to be entitled to avail of the separation incentives as provided in this Act: *Provided*, That for the purpose of computing the total amount of separation incentives that an affected personnel shall receive only the government service up to age fifty-nine (59) and a fraction thereof shall be counted. Government service starting at the age sixty (60) shall no longer be subject to the separation incentives provided herein, without affecting the original incentive factor determined as applicable based on the actual years of service of the affected personnel: *Provided further*, That for the purpose of complying with the required number of years of service under Republic Act No. 8291, the portability scheme under Republic Act No. 7699 entitled, "*An Act Instituting Limited Portability Scheme in the Social Security Insurance Systems by Totalizing the Workers' Creditable Services or Contributions in Each of the Systems*" may be applied, subject to existing policies and guidelines.

SEC. 15. *Transition Period.* – The transfer of functions, assets, funds, equipment, properties, transactions, and personnel of the affected agencies, and the formulation of the internal organic structure, staffing pattern, operating system, and revised budget of the

Department shall be completed within six (6) months from the effectivity of this Act, during which time, the existing personnel shall continue to assume their posts in holdover capacities until new appointments are issued: *Provided*, That after the abolition of the POEA and OWWA by virtue of this Act, the Department, in coordination with the DBM, shall determine and create new positions, the funding requirements of which shall not exceed the equivalent cost of positions abolished.

SEC. 16. *Multi-Stakeholders Coordinating Council on Migration and Development.* – There is hereby created a Multi-Stakeholders Coordinating Council on Migration and Development composed of the following:

- a. Department of Migration and Development, as Chairperson;
- b. Department of Labor and Employment, as Vice-Chair;
- c. Department of Foreign Affairs, as Vice-Chair;
- d. Department of Justice, as Member;
- e. Department of Social Welfare and Development, as Member;
- f. Department of Interior and Local Governments as Member;
- g. Department of Health, as Member;
- h. Department of Trade and Industry, as Member;
- i. National Economic and Development Authority; and
- j. Four (4) labor representatives each coming from the sea-based, land-based, women sector and trade union, recruitment agencies, civil society organizations and nongovernment organizations.

The Multi-Stakeholders Coordinating Council shall review and coordinate action on death row cases involving blood money, human trafficking as well as large-scale illegal recruitment cases, terrorism, drug-trafficking, pandemic and urgent cases involving Overseas Filipinos.

SEC. 17. *Establishment of One-Stop Overseas Filipinos Assistance Centers.* – The Department, in partnership with other government agencies, shall establish One-Stop Overseas Filipinos Assistance Centers in all major capital towns and cities nationwide to ensure prompt, efficient, vital, and relevant services to Overseas Filipinos and their families, to include passport and authentication services, acquisition of government clearances and permits, validation of overseas job offers, reintegration services, scholarship programs for the children of Overseas Filipinos, and all pertinent seminars and workshops for all stakeholders.

SEC. 18. *Adjudication Of Claims* - In keeping with its mandate, the Adjudicator of the Department is hereby vested with original and exclusive jurisdiction to hear within ninety (90) days from the date the Adjudicator acquired jurisdiction over the person of the respondents, and to decide within thirty (30) days thereafter, all claims involving Overseas Filipino Workers as defined herein, including the following:

1. Money claims arising out of an employer- employee relation, or by virtue of any law or by virtue of any contract, including claims for moral, exemplary and other forms of damage;
2. Cases which are administrative in character, involving or arising out of:
 - a) Violation of rules and regulations in the regulation of private recruitment activities;
 - b) Disciplinary actions against the Overseas Filipino Workers, the private recruitment agency and/or the foreign employer or principal.

The Adjudicators shall not be bound by technical rules of procedure and evidence but shall proceed to hear and decide all cases, disputes or controversies in a most expeditious manner, employing all reasonable means to ascertain the facts of every case in accordance with justice and equity and the merits of the case. Toward this end the Department shall adopt a uniform rule of procedure to achieve a just, expeditious and inexpensive determination for every action or proceeding before it.

Pursuant to Section 6 of Republic Act No. 9285 or the "*Alternative Dispute Resolution Act of 2004*," which provides for its non-application to labor disputes covered by the labor code and those which by law cannot be compromised, among others, and considering the fact that workers do not have an equal bargaining power with the employers, the constitutionally mandated modes of settling disputes by voluntary arbitrators, conciliation, mediation shall be applied with caution on claims of Overseas Filipino Workers.

Concomitantly, Overseas Filipino Workers who are covered by collective bargaining agreement as union members, shall have to resort first to the agreement's grievance machinery for the settlement of their disputes. If the said machinery failed to resolve the dispute, the Overseas Filipino Worker shall have the option to file their case with:

- a) The voluntary arbitrators or panel of voluntary arbitrators as provided by their collective bargaining agreement; or
- b) The adjudicators of the Department.

The parties to a dispute may enter into an amicable settlement or compromise agreement at any stage of the proceedings, provided such settlement shall be in writing and approved by the adjudicator or arbitrator after having been satisfied that the settlement or compromise is understood by the parties, entered into freely and voluntarily, not contrary to law, morals or public policy.

The decision of the Adjudicator or the Voluntary Arbitrators or panel of voluntary arbitrators may be appealed to the secretary of Department within ten (10) days from receipt of the decision, upon filing of the appeal bond. The appeal shall be decided within ninety (90) from receipt of the office of the secretary.

The decision of the Secretary shall be final and executory within ten (10) days from receipt of the parties.

Notwithstanding an appeal to the court of appeals, the decision of the Secretary of the Department shall be immediately executory pursuant to Rule 65 of the Rules of Procedure of the Supreme Court.

The Adjudicator shall submit to the Secretary of the Department within ten (10) calendar days following the end of every month, a sworn statement of disposition of cases, declaring that all cases of incidents submitted to him for resolution have been decided within the prescribed period. Noncompliance to this requirement shall subject the adjudicator to:

- (a) Withholding of all allowances, for every month of non-compliance, up to the maximum of six (6) months;
- (b) Suspension for not more than ninety (90) days, for non-compliance for more than six (6) months;
- (c) Dismissal from the service, as the secretary finds proper under the circumstances.

Provided, however, That the penalties herein provided shall be without prejudice to any liability which any such official may have incurred under other existing laws or rules and regulations as a consequence of violating the provisions of this paragraph.

SEC. 19. *Structure and Staffing Pattern.* – Subject to the approval of the DBM, the Department shall determine its organizational structure and create new divisions or units as it may deem necessary, and shall appoint officers and employees of the Department in accordance with the Civil Service laws, rules, and regulations.

SEC. 20. *Special Assistance Revolving Fund.* – A Special Assistance Revolving Fund for Overseas Filipinos including both documented and undocumented workers, in the amount of One Billion Pesos (PHP 1,000,000,000.00) is hereby created to be sourced from the

Office for the Undersecretary for Migrant Workers Affairs of the Department of Foreign Affairs, International Labor Affairs Bureau including the Philippine Overseas Labor Offices, Overseas Absentee Voting Secretariat of the Department of Foreign Affairs, Commission on Filipinos Overseas, National Maritime Polytechnic of the Department of Labor and Employment, offices of MARINA in relation to international seafaring under the Department of Transportation (DOTr). The Fund shall be utilized for the following purposes:

- a. Emergency repatriation of Overseas Filipinos in the following cases and circumstances:
 - a.1. When the foreign principal or employer who is primarily responsible for the immediate repatriation of distressed Overseas Filipinos, or who should advance the repatriation costs and attendant costs, fails to do so, for whatever reason;
 - a.2. Overseas Filipino, who are victims of physical or sexual abuse or human trafficking needing immediate legal and health services; and
 - a.3. Ailing and indigent Overseas Filipinos needing immediate medical evacuation.
- b. Financial assistance of a maximum of P200,000.00 to cover medical and hospitalization expenses, for each repatriated Overseas Filipinos with dreaded diseases;
- c. Immigration fines and penalties for Overseas Filipinos whose violation of host country's immigration laws are due to foreign principal or employer's failure to secure appropriate visa, or any other reason without Overseas Filipino's fault;
- d. Legal assistance for labor cases filed in the host country; and
- e. Payment of blood money, when recommended by the Department as the chair of the Multi-Stakeholders Coordinating Council.

SEC. 21. *Use of the Documentary Stamp Tax.* – The budget of the Department, based on an annual appropriation from Congress necessary to fulfill its mandate under this Act, and to ensure the efficient and effective operations of the One-Stop Overseas Filipinos Assistance Center throughout the country, shall be augmented by the proceeds from the Documentary Stamp Tax (DST) accruing from the un-availed exemption on dollar remittances of Overseas Filipinos.

SEC. 22. *The OWWA Fund.* – The Welfare Fund for Overseas Workers created under Letter of Instruction No. 537 and Presidential Decree No. 1694, as amended by Presidential Decree No. 1809, is hereinafter referred to as the OWWA Fund. The OWWA Fund is a private fund held in trust by the Department, through its Board of Trustees. Being a trust

fund, no portion thereof or any of its income, dividends or earnings shall accrue to the general fund of the National Government. Neither shall any amount or portion thereof be conjoined with government money, nor revert to the National Government. In the same manner, it is exempted from the "*One Fund Doctrine*" of the government.

SEC. 23. *Purpose of the OWWA Fund.* – The OWWA Fund can only be used for the purposes for which it was created, that is, to serve the welfare of member-OFWs and their families which shall include the financing the Department's core programs and services for the OFWs.

No funds shall be withdrawn from the OWWA Fund to respond, aid, supplement, or in any manner augment any required expenditure by other government agencies.

SEC. 24. *Source of the OWWA Fund.* – The OWWA Fund is the sum total of the amounts under the management and fiscal administration of the Board of Trustees and the Secretariat, including the twenty-five US dollars (US\$25.00) contributions that shall accrue to the Fund as fees, investment and interest income, and income from other sources.

SEC. 25. *Disbursement of the OWWA Fund.* – Any provision of existing law to the contrary notwithstanding, all incomes generated from the OWWA Fund shall, upon their collection, be retained by the Department and disbursed at the discretion of the Board of Trustees for providing services and other benefits of the member-OFWs and their families.

SEC. 26. *Trustees of the Fund.* – There shall be created a Board of Trustees whose members shall be appointed by the President of the Philippines, upon the recommendation of the Secretary of the Department. The Board shall be composed of twelve (12) members, with the Secretary of the Department as *ex officio* head, and the secretaries of the Departments of Foreign Affairs, Finance, Budget and Management, as *ex officio* members for a term of three (3) years. The remaining eight (8) members shall represent three (3) from the land-based and two (2) from the sea-based OFW sectors, one (1) from the women sector, one (1) from the land-based recruitment sector, and one (1) from the sea-based manning sector. The selection, nomination, appointment and the term of the sectoral representatives shall be in accordance with the provisions of Republic Act No. 8042, as amended by Republic Act No. 10022.

The Board of Trustees shall be designated as the trustee of the OWWA Fund and shall be bound by a fiduciary duty to manage the Fund with extraordinary diligence, and with utmost skill, care and judiciousness.

Upon the recommendation of the Board of Trustees, the Secretary of the Department shall appoint or designate personnel to act as the secretariat to provide technical and administrative assistance to the Board and shall be headed by a Fund Manager.

SEC. 27. *Transparency.* – The OWWA Fund shall be managed with full transparency and full public disclosure. The Board of Trustees shall make available all records of how the funds are utilized, disbursed, and invested, in accordance with existing laws.

SEC. 28. *Reporting of the OWWA Fund Collection and Utilization.* – Within fifteen (15) days after receipt of audited reports from the COA, the Department, upon consultation with the Board of Trustees, shall submit to the Congress and the President of the Philippines a report showing the total collections of, and the disbursements from, the OWWA Fund and shall publish the electronic copy of the report and make them available online, in a format that is searchable, accessible and useful to the public.

SEC. 29. *Safeguards of the OWWA Fund; Acquired Assets; Unredeemed Investments.* –

(a) The OWWA Fund shall be managed and expended in accordance with the purposes stipulated in this Act and safeguarded against any possible loss and misuse.

The Department, through the Board of Trustees shall ensure an appropriate growth rate in the Fund sufficient to sustain the growing needs of member-OFWs. It shall periodically conduct an inventory of its investment instruments and ensure that they are properly kept at a government bank under a custodianship agreement.

A monthly report on all investment schedules showing the interest rates, yields, discount rates, and other relevant data, shall be submitted to the Board of Trustees.

(b) The Board of Trustees shall administer all properties, acquired or foreclosed. To ensure that the properties are safeguarded and preserved, the same must be properly accounted for and documented, re-inspected, re-appraised, and insured.

An asset development and disposal plan shall be submitted by the Secretary of the Department for the consideration of the Board.

Foreclosed properties shall be registered as Department assets for and in behalf of the member-OFWs, within one (1) month after foreclosure.

(c) Unredeemed investments and other receivables shall be inventoried semi-annually and corresponding redemption plan shall be submitted to the Board of Trustees. All receivables shall be supported by documents appropriately acknowledged by the accountable party.

SEC. 30. *General Investment Policy.* – Upon approval of the Board of Trustees, all OWWA investments shall be placed only in government securities and bonds which provide optimum earnings, liquidity and protection of the Fund. Portfolio management of investible funds shall be outsourced to Government Financial Institutions (GFIs).

SEC. 31. *Examination and Valuation of the Funds.* – The Department shall make a periodic actuarial examination and valuation of its funds in accordance with accepted actuarial principles.

SEC. 32. *Appropriations.* – The amount needed for the initial implementation of this Act shall be taken from the current year's appropriations of the agencies, entities, divisions, sections or bodies abolished or transferred to the Department by virtue of this Act. Thereafter, such sums as may be necessary for its continued implementation shall be included in the annual General Appropriations Act.

SEC. 33. *Implementing Rules and Regulations.* – The Department, in coordination with DBM and CSC and other government agencies concerned and in consultation with other stakeholders shall, within ninety (90) days from the effectivity of this Act, issue the necessary rules and regulations for the effective implementation of this Act.

SEC. 34. *Mandatory Review on the Implementation of this Act.* – The Department shall conduct a mandatory review on the implementation of this Act, and shall submit to Congress a report on its findings at the end of the third year from the date of the effectivity of this Act.

SEC. 35. *Separability Clause.* – If any part or provision of this Act is held unconstitutional or invalid, the other parts or provision hereof which are not affected thereby shall continue to be in full force and effect.

SEC. 36. *Repealing Clause.* – All laws, orders, rules or regulations, which are inconsistent or contrary to the provisions of this Act are hereby amended or repealed accordingly.

SEC. 37. *Effectivity.* – This Act shall take effect fifteen (15) days after its complete publication in the Official Gazette or in at least two (2) national newspapers of general circulation.

Approved.