

Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City

16th CONGRESS
First Regular Session

HOUSE BILL NO. 2206



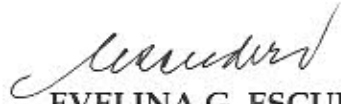
Introduced by **REP. EVELINA G. ESCUDERO**

EXPLANATORY NOTE

More than a million Filipinos leave the country every year to work abroad through various overseas employment agencies and other programs. The government allows one (1) month salary placement fees charged to the prospective OFW to allow the employment agency to cover the cost of processing the application.

However, very few of these recruitment agencies comply with the standards set in charging placement fees, and some collect excessive processing fees from the aspiring OFW. This practice often leaves the applicants in huge debts even before getting hired, if not backing out from the recruitment process altogether.

Hence, this bill seeks to penalize certain acts in the imposition of excessive placement fees against overseas Filipino workers.


EVELINA G. ESCUDERO



Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City

16th CONGRESS
First Regular Session

HOUSE BILL NO. 2206

Introduced by **REP. EVELINA G. ESCUDERO**

AN ACT
PENALIZING CERTAIN ACTS IN THE IMPOSITION OF EXCESSIVE
PLACEMENT FEES AGAINST OVERSEAS FILIPINO WORKERS

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

1 **SECTION 1. Title.** This Act shall be known as the "Fair Placement Fees
2 for OFWs Act".

3
4 **SECTION 2. Statement of Policy; Prohibited Acts.** The following acts
5 committed by any person involving and relating to the imposition of placement
6 fees against Overseas Filipino Workers (OFW), are hereby prohibited:

7
8 a. Collecting placement fee above the legitimate placement fee
9 fixed and determined by the Philippine Overseas Employment Agency (POEA)
10 without prejudice to Section 5 hereof;

11 b. Collecting placement fee in advance of the job's availability
12 overseas;

13 c. Not issuing the appropriate receipts for any placement fee
14 collected;

15 d. Not returning any placement fee collected when deployment
16 does not materialize;

17 e. Forcing an OFW to issue post dated checks to guarantee
18 payment of any placement fee; and

19 f. Forcing an OFW to borrow money only from designated
20 persons or lending institutions.

21

1 **SECTION 3. *Penalties.*** Commission of any of the following acts in the
2 immediately preceding Section shall be punished by six (6) years imprisonment
3 or a fine of One Hundred Thousand Pesos (Php100,000.00) to Five Hundred
4 Thousand Pesos (Php500,000.00), or both, at the discretion of the court.

5
6 The penalties herein provided shall be treated as separate and
7 distinct from any liability arising from the same punishable acts in Section 1
8 hereof.

9 If any of the acts in Section 1 is committed by a corporation, its
10 officers and directors shall be made liable in the same manner as the employee or
11 person related in any capacity to the corporation who actually committed the
12 same.

13 Moreover, if any of the acts is committed by a licensed recruitment
14 agency, its agent or representative, such agency's license shall be automatically
15 revoked with finality and no longer eligible for reinstatement.

16
17 **SECTION 4. *Implementing Rules.*** The POEA is hereby mandated to
18 promulgate the schedule of placement fees abroad together with the
19 implementing rules and regulations within ten (10) days from the effectivity of
20 this Act.

21
22 **SECTION 5. *Definition of Terms.*** For purposes of this Act, placement fee
23 shall refer to the amount charged by a Private Recruitment and Placement
24 Agency (PRPA) or any person from a recruit as payment for placement services
25 which shall not exceed the equivalent of one (1) month salary of the job for which
26 an OFW has been recruited.

27
28 **SECTION 6. *Separability Clause.*** If any provision or part hereof is held
29 invalid or unconstitutional, the remainder of the law or the provision not
30 otherwise affected shall remain valid and subsisting.

31
32 **SECTION 7. *Repealing Clause.*** All laws, presidential decrees, executive
33 orders, proclamations and/or administrative regulations which are inconsistent

1 with the provisions of this Act are hereby amended, modified, superseded or
2 repealed accordingly.

3

4 **SECTION 8. *Effectivity Clause.*** This Act shall take effect fifteen (15) days from
5 its publication in the Official Gazette or at least three (3) newspapers of national
6 circulation.

7

8 *Approved,*

9

10