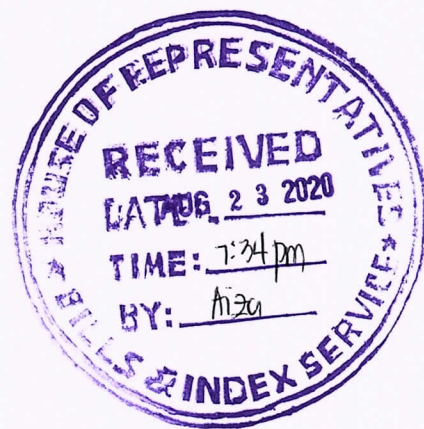


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Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City, Metro Manila

EIGHTEENTH CONGRESS
Second Regular Session

HOUSE BILL NO. 7454



Introduced by **ANG PROBINSYANO**
Party-List Representative Alfred Delos Santos

EXPLANATORY NOTE

1 We often hail our OFWs as *bagong bayani*, and to that we agree. Leaving
2 one's family and surviving in a foreign land is a great sacrifice that OFWs. But
3 they power through every hardship because staying abroad is the only way to
4 give their families a good life.

5
6 The contribution of OFWs is not only felt by their families. Even us are
7 benefited by their hard work and persistence. In 2019, the Bangko Sentral ng
8 Pilipinas (BSP) released a preliminary report that for 2019, OFWs made personal
9 remittances at around 33.5 billion US dollars, and cash remittances coursed
10 through banks at 30 billion US dollars.¹ Because of the continuous inflow of
11 money from them, the economy was boosted through higher household income
12 and consumption last year, which accounts for at least 7.8% of the gross national
13 income 9.3% of the country's gross domestic product (GDP).²

14
15 Meanwhile, in 2019, the Philippine Statistics Authority (PSA) reported³
16 that there is already an estimate of 2.3 million OFWs. Some of them are lucky
17 enough to get good-paying jobs, but many are still working for smaller amounts.
18 Based on the study by PSA in 2018, 37.6% of OFWs said that they remitted zero
19 to Php39,999 in a month. We can see with these data that despite the great
20 contribution of our OFWs, there is still a significant number of them and their
21 families that need help. It is important to bear in mind that OFWs do not only
22 support their immediate family but also their other collateral relatives. Thus, the
23 burden of OFWs remains heavy despite the seemingly good-looking income.

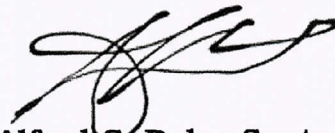
24
25 Hence, in order to ensure that the term "bagong bayani" will not ring
26 hollow, it is proposed that OFW remittances be given a special exchange rate
27 that is higher than the exchange rate for all other remittance or exchange

¹ <http://www.bsp.gov.ph/statistics/keystat/ofw.htm>

² <https://www.rappler.com/business/252043-overseas-filipino-workers-remittances-2019>

³ <https://psa.gov.ph/content/statistical-tables-overseas-filipino-workers-ofw-2018>

1 transactions. This way, the government can augment their income and ease their
2 burden. This measure is proposed in order to show that it is not enough to call
3 them heroes, we need to treat them as such. It is for these reasons that the
4 passage of this bill is earnestly sought.
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Alfred C. Delos Santos

Representative, Ang Probinsyano Partylist

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HOUSE BILL NO. 7454

Introduced by **ANG PROBINSYANO**
Party-List Representative Alfred Delos Santos

1 **AN ACT PROVIDING FOR A SPECIAL EXCHANGE RATE EXCLUSIVELY FOR**
2 **REMITTANCES MADE BY OFWs FOR THEIR FAMILIES IN THE**
3 **PHILIPPINES**
4

5 *Be it enacted by the Senate and the House of Representatives of the*
6 *Philippines in Congress assembled:*
7

8 SECTION 1. *Short Title.* – This Act shall be known as the “Special Exchange
9 Rate (SER) for OFWs Remittances Law.”
10

11 SECTION 2. *Declaration of Policy.* – It is the policy of the State to affirm
12 labor as a primary economic force. It shall protect the right of workers and
13 promote their welfare. The State likewise recognizes the great contribution of
14 Overseas Filipino Workers (OFWs) to our country’s growth and development.
15 Thus, the State shall endeavor to give well-deserved benefits for OFWs and their
16 families.
17

18 SECTION 3. *Definition.* – For purposes of this Act, the terms “Overseas
19 Filipino Worker” shall refer to a person who is to be engaged, is engaged, or has
20 been engaged in a remunerated activity in a state of which he or she is not a
21 citizen or on board a vessel navigating the foreign seas other than a government
22 ship used for military or non-commercial purposes or on an installation located
23 offshore or on the high seas; to be used interchangeably with migrant worker.
24

25 SECTION 4. *Special Exchange Rate for remittances of OFWs.* – There shall
26 be a special exchange rate (SER) for the remittances of OFWs. The special rate
27 shall be applicable only to OFWs registered with the Philippine Overseas
28 Employment Administration and the Overseas Workers Welfare Administration
29 (OWWA).
30

1 The POEA and OWWA shall jointly issue a Special Remittance Rate
2 identification card (SRR ID) for the OFW and another for his family who will be
3 receiving the remittance. The special rate shall only be applied upon presentment
4 of the SRR ID.

5
6 SECTION 5. *Authority of the Bangko Sentral ng Pilipinas to set the Special*
7 *Exchange Rate for OFW Remittances.* – The Bangko Sentral ng Pilipinas (BSP)
8 shall have the authority to set the special exchange rate (SER) for OFW
9 remittances. It shall have the discretion to set the schedule of the SER, whether
10 daily, weekly, or monthly, depending on its assessment of the financial capacity
11 of banks and remittance centers in relation to the economy and other relevant
12 factors.

13
14 The BSP shall likewise have the authority to temporarily suspend the
15 application of the SER in times of grave economic crisis or whenever its
16 application will prove to be prejudicial to national interest, but in no case shall
17 the suspension be more than one (1) year.

18
19 SECTION 6. Separability Clause. – If any provision or part of this Act is
20 held invalid or unconstitutional, the remaining provisions or parts unaffected
21 shall remain in full force and effect.

22
23 SECTION 7. Repealing Clause. – All laws, executive orders, presidential
24 decrees or issuances, letters of instruction, administrative orders, rules, and
25 regulations contrary to or inconsistent with the provisions of this Act are hereby
26 repealed, amended, or modified accordingly.

27
28 SECTION 8. Effectivity Clause. – This Act shall take effect fifteen (15) days
29 after its publication in the Official Gazette or in a newspaper of general
30 circulation.

31
32 Approved,