

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

NINETEENTH CONGRESS
Second Regular Session

HOUSE BILL NO. 8915



Introduced by HON. GUS S. TAMBUNTING

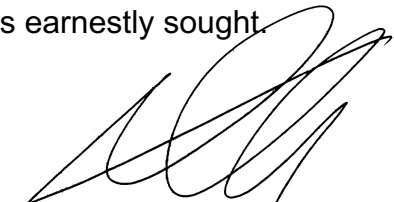
**AN ACT PENALIZING CERTAIN ACTS IN THE IMPOSITION OF EXCESSIVE
PLACEMENT FEES AGAINST OVERSEAS FILIPINO WORKERS**

EXPLANATORY NOTE

As stated in the guidelines issued by the DMW, a placement fee that may be charged against an overseas Filipino worker (OFW) should only be equivalent to one month's basic salary specified in the POEA-approved contract. However, Filipinos are still being cheated by recruitment agencies and loan companies. Aspiring Filipinos are pressured into paying illegal recruiting fees and taking out loans with interest rates often exceeding 130 percent.

This bill seeks to prohibit collecting placement fees above the standards set. To further protect our OFWs, this bill also seeks to prohibit collecting placement fees in advance of offered job's availability. Penalties of imprisonment and/or fine shall be imposed under this proposed measure for those who will be caught committing the prohibited acts enumerated under this measure.

On behalf of the people of Parañaque City's Second District, and for the common good of the Filipino people, the approval of the said measure is earnestly sought.


REP. GUS S. TAMBUNTING
2nd District, Parañaque City

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**AN ACT PENALIZING CERTAIN ACTS IN THE IMPOSITION OF EXCESSIVE
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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 “Fair Placement Fees for OFWs Act.”

SEC. 2. *Prohibited Acts.* – The following acts committed by any person involving and relating to the imposition of placement fees against Overseas Filipino Workers (OFW), are hereby prohibited:

(a) Collecting placement fee above the legitimate placement fee fixed and determined by the Department of Migrant Workers (DMW) without prejudice to Section 5 hereof;

(b) Collecting placement fee in advance of the job’s availability overseas;

(c) Not issuing the appropriate receipts for any placement fee collected;

(d) Not returning any placement fee collected when deployment does not materialize;

(e) Forcing an OFW to issue post-dated checks to guarantee payment of any placement fee; and

(f) Forcing an OFW to borrow money from designated persons or lending institutions.

SEC. 3. *Definition of Terms.* – As used in this Act, placement fee shall refer to the amount charged by a Private Recruitment and Placement Agency (PRPA) or any person from a recruit as payment for placement services which shall not exceed the equivalent of one (1) month salary of the job for which an OFW has been recruited.

SEC. 4. *Penalties.* – Commission of any of the following acts in the immediately preceding Section shall be punished by six (6) years imprisonment or a fine of One Hundred Thousand Pesos (Php 100,000.00) to Five Hundred Thousand Pesos (Php 500,000.00), or both, at the discretion of the court.

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

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

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

SEC. 5. *Implementing Rules and Regulations.* – Within thirty (30) days after the approval of this Act, the DMW shall, in consultation with appropriate government agencies and stakeholder representatives, shall issue the necessary rules and regulations for the effective implementation of this Act.

SEC. 6. *Separability Clause.* – If any portion of this Act is declared unconstitutional or invalid, the portions or provisions which are not affected shall continue to be in full force and effect.

SEC. 7. *Repealing Clause.* – All laws, decrees, executive issuances, rules and regulations inconsistent with this Act are hereby repealed and/or modified accordingly.

SEC 8. *Effectivity.* This Act shall take effect fifteen (15) days after its publication in at least two (2) newspapers of general circulation.

Approved,