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

NINETEENTH CONGRESS
Third Regular Session

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HOUSE BILL NO. 11136

Introduced by **HON. JUDE A. ACIDRE**

EXPLANATORY NOTE

The Constitution states, under Section 3, Article XIII on Social Justice and Human Rights, particularly its sub-article on Labor, that "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."

It further states that "It shall guarantee the rights of all workers to self-organization, collective bargaining and negotiations, and peaceful concerted activities, including the right to strike in accordance with law. They shall be entitled to security of tenure, humane conditions of work, and a living wage. They shall also participate in policy and decision-making processes affecting their rights and benefits as may be provided by law."

Hence, this Representation proposes this measure to give life and substance to these provisions of the Constitution by enabling overseas Filipino workers (OFWs) to find local entrepreneurial, educational, and employment opportunities should they decide to stay with their respective families here in the Philippines for good. This bill likewise includes the provision on security of tenure, humane conditions of work, and a living wage to OFWs through employment either in the government career service or in private enterprises known for their given importance to the aforementioned three benefits for their employees.

This proposed legislation also provides former OFWs who are to be reintegrated into the Philippine domestic economy to participate in policy and decision-making processes affecting their rights and benefits under existing laws and under the provisions of this draft statute.

The education, training, and experience gained by OFWs abroad must be put to good use in the development of our country. The State must, therefore, provide opportunities for "brain gain" through this bill and other measures, and executive issuances.

OFW welfare is the main objective of this measure. This proposed law seeks to provide them with benefits and incentives when they decide to invest in businesses in the Philippines, such as access to financial literacy training, and seminars, as well as the needed capital to start their respective businesses.

Thus, the passage of this measure is urgently requested.

JUDE A. ACIDRE
Representative, Tingog Sinirangan

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HOUSE BILL NO. 11136

Introduced by **HON. JUDE A. ACIDRE**

AN ACT
PROVIDING FOR ENHANCED BENEFITS, WELFARE, AND REINTEGRATION OF REPATRIATED FILIPINO MIGRANT WORKERS INTO THE PHILIPPINE ECONOMY, APPROPRIATING FUNDS THEREFOR AND FOR OTHER PURPOSES

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

SECTION. 1. ***Short Title.*** – This Act shall be known as the "Bagong Balikbayan Act."

SEC. 2. ***Declaration of Policy.*** – It is the policy of the State to protect the rights and promote the welfare of Overseas Filipino Workers (OFWs) and their families. The State acknowledges the necessity of providing responsive mechanisms for skills development and reintegration to ease repatriated OFWs back into the local workforce or aid them in venturing into the business sector, with the overarching goal of helping them attain self-sufficiency.

Towards these ends, the State shall develop and implement a full-cycle and comprehensive national reintegration program for OFWs and their families, which shall likewise be attuned to the needs of the communities, so as to maximize the benefits of migration for development.

SEC. 3. ***Declaration of the Principle of Equal Opportunity.*** – The State recognizes that all individuals have the right to equal opportunity to live decently and with dignity. Every individual has the right to participate and be given access to information relating to the decision- making processes that affect their lives and well-being.

The State further declares that migrant workers are individuals deserving of secured rights of a decent life, dignity, and humane employment. They should be allowed to live a life of normalcy, living in co-existence with local workers who are living a peaceful and

productive life, secured, and protected by law.

SEC. 4. ***Definition of Terms.*** – As used in this Act:

a. *Reintegration* refers to a holistic process by which an OFW, on his or her own or with the assistance of government and other duty bearers (private sector, development NGOs or organizations), returns to the Philippines permanently, in a comfortable and productive state, through a series of preparations or interventions geared towards his/her specific needs, goals, interests, capacities and potentials;

b. *Reintegration program* refers to a measure or a set of measures intended for mainstreaming and sustainable return of OFWs into Philippine society, including, but not limited, to livelihood projects, wellness programs, financial literacy programs and other similar projects: Provided, That reintegration programs shall be based on the specific needs and skills of the returning OFWs and shall be anchored on a national reintegration framework defining the fundamental principles, vision and direction, strategies and characteristics of an effective, gender-responsive and sustainable reintegration;

SEC. 5. ***Applicability.*** – This Act shall apply to all OFWs, both documented and undocumented, who have been repatriated, whether they willingly resigned from their posts abroad or had their employment terminated.

SEC. 6. ***Repatriation and Reintegration Process.*** – Six months before OFWs return to the Philippines, the Migrant Workers Offices (MWOs) in the areas or countries where these OFWs are located shall start the repatriation and reintegration process by providing three paths to these OFWs, namely:

a. Entrepreneurship;
b. Education; and
c. Employment.

SEC. 7. ***Business-Oriented Capacity-Building Training for OFWs.*** – The Department of Migrant Workers (DMW), in coordination with the Department of Trade and Industry (DTI), shall provide training for OFWs who are seeking to set up their businesses.

The training shall focus on the following areas:

a) Business conceptualization and the conduct of feasibility studies;
b) Registration and all other administrative matters related to creating one's own business;
c) Safe and sustainable business financing;
d) Business promotion/ advertising/ marketing; and
e) Service/ product delivery

SEC. 8. ***Dedicated Financing/ Loan Programs for OFW-Owned MSMEs.*** – The DMW, in coordination with the Department of Finance (DOF) and the Department of Budget and Management (DBM), shall create new financing/loan programs that will exclusively cater to OFWs, who are in the process of setting up their Micro-, Small and Medium-sized

Enterprises (MSMEs).

Such programs shall strictly be for those OFWs with no existing MSMEs. OFWs with existing MSMEs shall be accommodated through DTI's programs.

SEC. 9. ***Government Job Fairs for Civil Service Qualified OFWs and TESDA and CHED Assistance to Them.*** – The DMW, in coordination with the Civil Service Commission (CSC) and the Department of the Interior and Local Government (DILG), and/or private enterprises known for their given importance to security of tenure, humane conditions of work, and a living wage to their workers/employees, shall have a series of job fairs for possible employment in the private sector or, in the case of civil service qualified OFWs, in the national or local government, its agencies, bureaus, offices, and instrumentalities, including government-owned and/or -controlled corporations (GOCCs). The CSC shall formulate guidelines to provide the appropriate civil service eligibility to non-civil service qualified OFWs based on their education, training, and experience gained while they were living and/or working abroad. The Technical Education and Skills Development Authority (TESDA) and the Commission on Higher Education (CHED) shall likewise provide the necessary rules and regulations to provide the pertinent national certification and/or the appropriate degree diploma or diplomas again based on the OFWs' education, training, and experience while they were living and/or working overseas.

SEC. 10. ***Program for Qualified and Highly-Skilled OFWs to Teach in the Academe.*** – The DMW, in coordination with the TESDA and the CHED, shall provide a program to invite qualified and highly-skilled OFWs to teach in colleges/universities recognized by the CHED and/or in training centers accredited by the TESDA.

SEC. 11. ***Tax Exemption.*** – An OFW-owned business enterprise whose OFW owner or owners has/have worked for at least five (5) years abroad, and subject to such safeguards as the DMW and the DOF shall formulate, shall be exempt from the payment of income tax for a non-extendable period of five (5) years following registration. This exemption is without prejudice to any other benefit or tax exemption granted to the enterprise by any other laws. All Local Government Units (LGUs) are encouraged either to reduce the amount of local taxes, fees, and charges or waive them altogether for OFW-owned business enterprises owned by an OFW or OFWs as heretofore specified.

SEC. 12. ***Other Rights, Benefits and Incentives.*** – Former OFWs who are to be reintegrated into the Philippine domestic economy shall, as much as practicable, participate in policy and decision-making processes affecting their rights and benefits under existing laws and under the provisions of this Act.

An OFW-business enterprise whose OFW owner or owners has/have worked for at least five (5) years abroad, and subject to such safeguards as the DMW and the DOF shall formulate, may also avail of the following incentives for a non-extendable period of five (5) years following registration:

a) Fifty Percent (50%) reduction on real property taxes imposed on real property if used in the OFW-owned business enterprise;
b) Tax and duty-free importation of raw materials, capital equipment, machinery, and spare parts to be exclusively used in the operation of the OFW-owned business enterprise; and/or

c) Preferential access to financing from government financial institutions at rates below the market rates;

Provided, That an OFW-owned business enterprise may avail of these incentives for a period of five years following registration and that after the business enterprise has closed-down or stopped operating, the same aforementioned OFW owner or owners thereof who establishes or establish a new business shall not be allowed to avail of the benefits and incentives under this Act for at least five (5) years after the last business has closed-down or stopped operating.

SEC. 13. ***Creating/Upgrading Offices and Hiring Appropriate Personnel.*** – The DMW and other concerned government agencies, upon consultation with and approval of the DBM, shall create/upgrade the necessary offices and hire appropriate personnel to ensure the effective implementation of this Act.

SEC. 14. ***Appropriations.*** – The amount necessary to carry out the provisions of this Act shall be charged against those authorized in the current and subsequent General Appropriations Act.

SEC. 15. ***Implementing Rules and Regulations.*** – As the lead implementing agency, the DMW, in coordination with the Department of Labor and Employment, DTI, DILG, Overseas Workers Welfare Administration, and other concerned government agencies, and upon consultation with stakeholders, shall formulate the necessary rules and regulations to implement the provisions of this Act within one hundred eighty (180) days after its effectivity.

SEC. 16. ***Separability Clause.*** – If for any reason, any section, clause, or term of this Act is held to be illegal, invalid, or unconstitutional, such parts not affected by such declaration shall remain in full force and effect.

SEC. 17. ***Repealing Clause.*** – All laws, presidential decrees, issuances, executive orders, letters of instruction, and proclamations or administrative rules and regulations or parts thereof inconsistent with the provisions of this Act are hereby repealed, amended, or modified accordingly.

SEC. 18. Effectivity. -This Act shall take effect fifteen (15) days following its publication in the Official Gazette or in a national newspaper of general circulation.

Approved,