

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

NINETEENTH CONGRESS
Third Regular Session

HOUSE BILL NO. **11511**



Introduced by Representatives Bryan B. Revilla, Lani Mercado-Revilla, and
Ramon Jolo B. Revilla III

**AN ACT EXPANDING THE COVERAGE OF THE TELECOMMUTING ACT
AND PROVIDING INCENTIVES FOR TELECOMMUTING EMPLOYERS,
AMENDING FOR THE PURPOSE, REPUBLIC ACT NO. 11165,
OTHERWISE KNOWN AS "THE TELECOMMUTING ACT" AND FOR
OTHER PURPOSES**

Explanatory Note

Republic Act No. 11165, or the "Act Institutionalizing Telecommuting as an Alternative Work Arrangement for Employees in the Private Sector", was enacted in December 2018. Telecommuting refers to a work arrangement that allows an employee to work from an alternative workplace with the use of telecommunication and/or computer technologies. The same is pursued in light of the rapid technological developments and breakthroughs which opened new and unconventional avenues for employees to perform their work and other flexible work arrangements.

The legislation proved useful and especially responsive to the COVID-19 pandemic, which imposed severe mobility and transport restrictions, and required the adoption of novel work setup and schedules, less face-to-face transactions and limited physical presence in offices and workstations.

As the Epifanio Delos Santos Avenue (EDSA), a major thoroughfare in the National Capital Region, will undergo extensive repair, heavier traffic looms. Each day, studies indicate that about P3.5 billion is the estimated cost of Metro Manila congestion per day. Worse, commuting employees lose hours in traffic, which could have been better for rest spent at home with their families.

This bill thus expands the coverage of this Act to include employees in the public sector, who are also affected by and need to navigate the massive reforms of working conditions. Moreover, this proposal introduces tax incentives to employers who shall allow telecommuting arrangements for their employees, especially those affected by traffic woes.

In this light, the consideration of this bill is recommended.



REP. BRYAN B. REVILLA
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REP. LANI MERCADO-REVILLA
Representative, 2nd District of Cavite



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Republic of the Philippines
HOUSE OF REPRESENTATIVES
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NINETEENTH CONGRESS
Second Regular Session

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Ramon Jolo B. Revilla III

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SECTION 1. Section 3 of Republic Act No. 11165, otherwise known as the "Telecommuting Act", is hereby amended to read as follows:

"Sec. 3. *Telecommuting Defined.* - As used in this Act, the term "telecommuting" refers to [a] **AN OUTPUT-ORIENTED** work arrangement that allows an employee in the private **OR PUBLIC** sector to work from an alternative workplace with the use of telecommunication and/or computer technologies."

SECTION 2. Section 4 of Republic Act No. 11165 is hereby amended to read as follows:

"Sec. 4. *Telecommuting Program.* - An employer in the private **OR PUBLIC** sector may offer a telecommuting program to its employees on a voluntary basis, **WHOSE PHYSICAL PRESENCE IN THE WORKPLACE IS NOT NECESSARY FOR THE PERFORMANCE OR COMPLETION OF THEIR JOB**, and upon such terms and conditions as they may mutually agree upon: *Provided*, That such terms and conditions shall not be less than the minimum labor standards set by law, and shall include compensable work hours, minimum number of work hours, overtime, rest days, and entitlement to leave benefits. In all cases, the employer shall provide the telecommuting employee with relevant written information in order to adequately apprise the individual of the terms and conditions of the telecommuting program, and the responsibilities of the employee."

SECTION 3. Section 7 (b) of Republic Act No. 11165 is hereby amended to read as follows:

"Sec. 7. *Administration.* - The parties to a telecommuting work arrangement shall be primarily responsible for its administration. In case of differences in interpretation, the following guidelines shall be observed"

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b) If there is no grievance mechanism or if the mechanism is inadequate, the grievance shall be referred to the regional office of the Department of Labor and Employment (DOLE) **OR THE CIVIL SERVICE COMMISSION (CSC)** which has jurisdiction over the workplace for conciliation."

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SECTION 4. A new section is hereby inserted after Section 8 of Republic Act No.11165, which shall read as follows:

"SEC. 9. TAX INCENTIVES FOR TELECOMMUTING EMPLOYERS. - ANY PRIVATE EMPLOYER THAT IMPLEMENTS A TELECOMMUTING PROGRAM SHALL BE ENTITLED TO TAX INCENTIVES TO BE DETERMINED BY THE DEPARTMENT OF FINANCE, IN CONSULTATION WITH THE DEPARTMENT OF LABOR AND EMPLOYMENT AND THE BUREAU OF INTERNAL REVENUE.

Succeeding sections of RA 11165 are hereby renumbered accordingly.

SECTION 5. Implementing Rules and Regulations. - The Department of Labor and Employment (DOLE), the Civil Service Commission (CSC), the Department of Finance (DOF), and the Bureau of Internal Revenue (BIR), shall promulgate the rules and regulations to implement this Act within ninety (90) days from the effectivity of this Act.

SECTION 6. Separability Clause. — If any provision or part hereof is held invalid or unconstitutional, the remainder of the law or the provision or part not otherwise affected shall remain in full force and effect.

SECTION 7. Repealing Clause. - All laws, decrees, orders, rules and regulations or parts thereof contrary to, or inconsistent with, this Act are hereby repealed, modified or amended accordingly.

SECTION 8. Effectivity. - This Act shall take effect fifteen (15) days after its complete publication either in the Official Gazette or in two (2) newspapers of general circulation in the Philippines.

Approved,