



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

Twentieth Congress
First Regular Session



HOUSE BILL NO. **2833**

Introduced by **Representatives JOCELYN P. TULFO, RALPH WENDEL P. TULFO, and EDVIC G. YAP**

AN ACT STRENGTHENING THE PROTECTION OF OVERSEAS FILIPINO WORKERS AND THEIR DEPENDENTS AGAINST FRAUDULENT PRACTICES, AND PROVIDING PENALTIES THEREFOR

EXPLANATORY NOTE

Overseas Filipino Workers (OFWs) have long been recognized as modern-day heroes for their immense contributions to our nation's economy through their hard-earned remittances, which not only sustain millions of Filipino families but also drive our country's economic growth. However, these dedicated workers remain vulnerable to increasingly sophisticated fraudulent schemes that exploit their limited financial literacy and physical distance from home. ***The Overseas Filipino Workers' Fraud Protection Act of 2025*** addresses this urgent concern by establishing comprehensive legal protections, imposing stringent penalties on perpetrators, and implementing preventive measures to safeguard our migrant workers and their families.

The need for this legislation has become critical due to several alarming factors. Recent data from the Department of Migrant Workers reveals a dramatic rise in fraud cases targeting OFWs, with investment scams, fake sales transactions, and cyber fraud schemes causing billions in losses annually. While existing laws like the Cybercrime Prevention Act and Anti-Financial Account Scamming Act provide some protections, they fail to specifically address the unique vulnerabilities of OFWs. Current penalties under the Revised Penal Code have proven insufficient to deter large-scale fraudulent operations that specifically target our migrant workers, leaving many victims without proper recourse or compensation.

This landmark legislation introduces several crucial provisions designed to comprehensively protect OFWs. It clearly defines prohibited fraudulent activities including investment scams, false sales, cyber fraud, and agency collusion, with definitions aligned with related laws like the DMW Act and Anti-Financial Account Scamming Act. The bill establishes severe penalties including fines up to ₱50 million for corporations and life imprisonment for repeat offenders, while mandating full restitution plus interest to victims. To ensure effective enforcement, it creates a specialized inter-agency task force led by the DMW and including the NBI, BSP, and SEC, supported by 24/7 reporting mechanisms. Importantly, the bill mandates financial

literacy education for departing OFWs and holds recruitment agencies accountable for any involvement in fraudulent activities.

The proposed measure aligns with national development priorities, supporting the Philippine Development Plan's focus on migrant worker welfare while complementing existing laws on e-governance and universal healthcare. By addressing both prevention and punishment, this bill provides a complete framework to combat fraud against OFWs. We earnestly seek the immediate passage of this crucial legislation to properly protect our modern-day heroes and ensure their sacrifices are not undermined by predatory schemes. The Overseas Filipino Workers' Fraud Protection Act of 2025 will stand as a testament to our nation's commitment to safeguarding those who contribute so much to our country's prosperity.

In view of the foregoing, the immediate passage of this bill is earnestly sought.



HON. JOCELYN P. TULFO

Representative, ACT-CIS PARTYLIST



HON. EDVIC G. YAP

Representative, ACT-CIS PARTYLIST



HON. RALPH WENDEL P. TULFO

*Representative, 2ND DISTRICT OF
QUEZON CITY*



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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 "Overseas Filipino Workers' Fraud Protection Act of 2025."

SECTION 2. Declaration of Policy.

The State recognizes the vital contributions of Overseas Filipino Workers (OFWs) to national development and acknowledges their inherent vulnerability to various forms of exploitation, particularly fraudulent schemes. It is hereby declared the policy of the State to:

- Protect OFWs and their dependents from fraudulent activities pertaining to investments, purchases, and financial transactions.
- Ensure that OFWs and their dependents have access to comprehensive financial literacy programs and effective redress mechanisms, through the coordinated efforts of relevant government agencies.
- Promote accountability by imposing stringent penalties on perpetrators of fraud, including individuals, corporations, and intermediaries found to be involved.

SECTION 3. Definition of Terms.

For purposes of this Act, the following terms shall mean:

- a. **Overseas Filipino Worker (OFW)** — Refers to a person who is to be engaged, is engaged, or has been engaged in a remunerated activity in a foreign country in which they are not citizens or permanent residents, as defined in Republic Act No. 11641, otherwise known as the "Department of

Migrant Workers Act," including those who have been contracted but are not yet deployed.

- b. **Dependent** — Refers to a legal spouse, unmarried children under twenty-one (21) years of age, or parents aged sixty (60) years or older who are demonstrably reliant on the OFW's remittances for their financial support.
- c. **Fraudulent Activity** — Any act or series of acts involving deceit, misrepresentation, false pretense, or omission of material facts, committed with intent to cause financial harm or gain undue advantage, including but not limited to:
 - 1. **Investment Scams:** Schemes designed to defraud individuals through false promises of high returns on investments, such as Ponzi schemes, pyramid schemes, or fictitious cryptocurrency ventures.
 - 2. **False Sales:** The selling of non-existent, defective, or grossly overpriced goods or services, including but not limited to "ghost" real estate properties, fraudulent insurance policies, or non-delivery of purchased items.
 - 3. **Cyber Fraud:** Acts committed through the use of computer systems or networks, such as phishing, smishing, vishing, pharming, or other social engineering tactics aimed at acquiring personal or financial information, or engaging in money muling as defined under Republic Act No. 12010, also known as the "Anti-Financial Account Scamming Act."
- d. **Financial Institution** — Refers to banks, quasi-banks, trust entities, non-bank financial institutions, lending companies, financing companies, payment systems operators, virtual asset service providers, and other entities performing similar functions, which are supervised by the Bangko Sentral ng Pilipinas (BSP) or other relevant government regulatory bodies.

SECTION 4. Prohibited Acts.

The following acts are hereby declared unlawful and shall be subject to the penalties provided in this Act:

- a. **Investment Fraud:** Soliciting, offering, or selling investments to OFWs or their dependents by misrepresenting material facts regarding the risks, returns, or legitimacy of such investments.
- b. **False Sales of Goods or Services:** Selling or offering for sale to OFWs or their dependents goods or services that are non-existent, materially defective, or grossly overpriced, with the intent to defraud.
- c. **Imposition of Hidden Fees or Coercion:** Imposing or charging undisclosed fees, commissions, or charges, or using high-pressure tactics, intimidation, or undue influence to compel OFWs or their dependents to enter into financial transactions, contracts, or agreements against their will or best interest.
- d. **Financial Account Scamming:** Engaging in acts defined under Republic Act No. 12010 (Anti-Financial Account Scamming Act), including but not limited to:
 - 1. **Money Muling:** Allowing or renting out one's financial account, whether physical or digital, for illicit transfers of funds.

1 2. **Social Engineering:** Manipulating individuals through deceptive
2 communication to disclose confidential financial information or
3 credentials, or to perform actions that result in financial harm.

4 e. **Agency Collusion:** Any act where a recruitment agency, manning agency,
5 or any intermediary involved in the deployment or welfare of OFWs conspires
6 with or facilitates the commission of any fraudulent activity defined under this
7 Act.

8 **SECTION 5. Penalties.**

9 Any person found guilty of committing any of the prohibited acts under this Act shall
10 suffer the following penalties:

- 11 • **For Individuals:**
- 12 • First Offense: Imprisonment of twelve (12) years to twenty (20) years
13 and a fine of Five Million Pesos (₱5,000,000.00) to Ten Million Pesos
14 (₱10,000,000.00).
- 15 • Repeat Offense: Imprisonment of life and a fine of Fifteen Million
16 Pesos (₱15,000,000.00).
- 17 • **For Corporations, Partnerships, Associations, or Other Juridical**
18 **Entities:**
- 19 • First Offense: A fine of Twenty Million Pesos (₱20,000,000.00) and
20 the revocation of its license to operate. The president, managing
21 partner, or any officer or person responsible for the commission of the
22 offense shall also be held liable as an individual.
- 23 • Repeat Offense: A fine of Fifty Million Pesos (₱50,000,000.00) and
24 permanent closure of the entity. The president, managing partner, or
25 any officer or person responsible for the commission of the offense
26 shall also be held liable as an individual and shall suffer the penalty
27 of life imprisonment.
- 28 • **Restitution:** In addition to the foregoing penalties, the convicted individual
29 or entity shall be ordered to make full restitution to the victims of the
30 fraudulent activity, which shall include the total amount defrauded plus an
31 annual interest of ten percent (10%) from the date of the fraudulent
32 transaction until full payment.

33 **SECTION 6. Enforcement Mechanisms.**

34 To ensure the effective implementation of this Act, the following mechanisms shall
35 be established:

- 36 • **Inter-Agency Council for OFW Fraud Protection:** There is hereby created
37 an Inter-Agency Council, hereinafter referred to as the "Council," which shall
38 be primarily responsible for the coordination of efforts in combating OFW
39 fraud. The Council shall be composed of the following:
- 40 1. The Secretary of the Department of Migrant Workers (DMW) as
41 Chairperson;
- 42 2. A representative from the National Bureau of Investigation (NBI); * A
43 representative from the Cybercrime Investigation and Coordinating
44 Center (CICC) under Republic Act No. 10175, otherwise known as the

"Cybercrime Prevention Act of 2012";

- 3. A representative from the Securities and Exchange Commission (SEC), particularly for cases involving investment scams; and
- 4. A representative from the Bangko Sentral ng Pilipinas (BSP), particularly for cases involving financial institutions.

The Council shall formulate and implement a national action plan against OFW fraud, conduct regular intelligence sharing, and facilitate inter-agency investigations.

- **OFW Fraud Hotline and Online Portal:** The Department of Migrant Workers (DMW) shall establish and maintain a 24/7 dedicated hotline and an online portal accessible to OFWs and their dependents for reporting fraudulent activities and seeking assistance.
- **Mandatory Financial Literacy and Fraud Prevention Modules:** Pre-departure orientation seminars (PDOS) and post-arrival orientation seminars (PAOS) for OFWs shall include comprehensive modules on financial literacy, investment awareness, and fraud prevention strategies, developed and updated in coordination with the Bangko Sentral ng Pilipinas and the Securities and Exchange Commission.

SECTION 7. Liability Under Other Laws.

Prosecution under this Act shall be without prejudice to any criminal or civil action that may be instituted under existing laws, including but not limited to:

- a. Republic Act No. 3815, otherwise known as the "Revised Penal Code;"
- b. Republic Act No. 10175, otherwise known as the "Cybercrime Prevention Act of 2012;"
- c. Republic Act No. 11967, otherwise known as the "Internet Transactions Act of 2023;" and
- d. Republic Act No. 12010, otherwise known as the "Anti-Financial Account Scamming Act."

SECTION 8. Separability Clause.

If any provision or part of this Act is declared unconstitutional or invalid, the other provisions or parts hereof not affected thereby shall remain valid and enforceable.

SECTION 9. Repealing Clause.

All laws, decrees, orders, rules and regulations, or parts thereof inconsistent with the provisions of this Act are hereby amended, repealed, or modified accordingly.

SECTION 10. Effectivity.

This Act shall take effect fifteen (15) days after its complete publication in the Official Gazette or in at least two (2) newspapers of general circulation.

Approved,