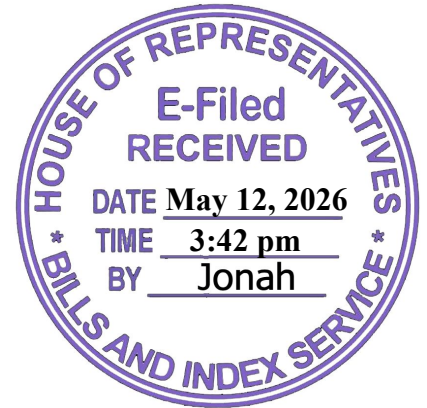




Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City, Metro Manila

TWENTIETH CONGRESS
First Regular Session

HOUSE BILL NO. 9217



Introduced by Representative **ANTONINO B. ROMAN III**

EXPLANATORY NOTE

The 1987 Constitution expressly requires the State to safeguard workers' rights, promote their overall welfare, and strictly prohibit combinations in restraint of trade alongside unfair market competition.

At present, private sector employers hold the exclusive authority to dictate the specific banking institution where employee salaries are deposited. This entrenched practice creates unintended negative consequences on worker convenience and broader economic competition. Certain banks achieve an unfair competitive advantage, securing a captive market simply because a singular corporate entity handpicked them, rather than earning those clients through superior service.

All employees must be granted the absolute freedom to select which traditional bank or Electronic Money Issuer they will trust for their wage deposits. In choosing an ideal depository institution, individuals consider vital factors like attractive financial products, higher interest rates, digital service availability, and geographical accessibility. If financial institutions were compelled to actively compete for individual payroll deposits, they would be strongly incentivized to provide superior goods and minimize account fees

The financial landscape has evolved dramatically. Today, real-time inter-bank transfer networks and advanced digital wallets make cross-institution payroll disbursements completely seamless and technically effortless. This updated measure aims to grant private sector employees the undisputed right to designate their preferred bank or digital wallet for wage deposits, firmly promoting true market competition and financial autonomy. Crucially, the bill mandates that electronic

transfer fees incurred during disbursement must be fully borne by the employer, guaranteeing that workers' salaries remain intact.

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

A handwritten signature in black ink, appearing to read 'Antonino B. Roman III', with a stylized, flowing script.

ANTONINO B. ROMAN III



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HOUSE BILL NO. 9217

Introduced by Representative **ANTONINO B. ROMAN III**

AN ACT GRANTING EMPLOYEES IN THE PRIVATE SECTOR THE RIGHT TO DESIGNATE THE FINANCIAL OR ELECTRONIC MONEY ACCOUNT TO WHICH THEIR WAGES OR COMPENSATION SHALL BE DEPOSITED, AMENDING FOR THE PURPOSE ARTICLE 102 OF PRESIDENTIAL DECREE NO. 442, OTHERWISE KNOWN AS THE LABOR CODE OF THE PHILIPPINES

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

TITLE I
GENERAL PROVISIONS

SECTION 1. Short Title. – This Act shall be known as the "Payroll Account Portability Act."

SEC. 2. Declaration of Policy. – A second paragraph shall be inserted to Article 102, Chapter III, Title I, Book Three, of Presidential Decree No. 442 as amended and renumbered, otherwise known as the Labor Code of the Philippines, so that the entire first paragraph shall read as follows:

"ART. 102. Forms of Payment.- No employer shall pay the wages of an employee by means of promissory notes, vouchers, coupons, tokens, tickets, chits, or any object other than legal tender, even when expressly requested by the employee.

AN EMPLOYEE SHALL HAVE THE RIGHT TO DESIGNATE THE BANK OR ELECTRONIC MONEY ISSUER (EMI) ACCOUNT TO

WHICH THEIR WAGES SHALL BE DEPOSITED. IN THE EVENT THAT INTER-BANK OR ELECTRONIC TRANSFER FEES ARE INCURRED TO FACILITATE THE DEPOSIT OF WAGES INTO THE EMPLOYEE'S DESIGNATED ACCOUNT, SUCH FEES SHALL BE BORNE BY THE EMPLOYER AND SHALL NOT BE DEDUCTED FROM THE EMPLOYEE'S WAGES: PROVIDED, THAT IF THE EMPLOYEE'S DESIGNATED ACCOUNT IS NOT TECHNOLOGICALLY FEASIBLE FOR ELECTRONIC TRANSFER, THE EMPLOYER MAY PAY THE EMPLOYEE'S WAGES BY ISSUING A COMPANY CHECK, BY DISBURSING CASH TO THE EMPLOYEE OR BY DEPOSITING THE WAGES IN AN ALTERNATIVE ACCOUNT CHOSEN BY THE EMPLOYEE, WHICH MAY EITHER BE A DEFAULT ACCOUNT PROVIDED BY THE EMPLOYER OR ANOTHER ACCOUNT OF THE EMPLOYEE'S OWN CHOOSING.

Payment of wages by check or money order shall be allowed when such manner of payment is customary on the date of effectivity of this Code, or is necessary because of special circumstances as specified in appropriate regulations to be issued by the Secretary of Labor and Employment or as stipulated in a collective bargaining agreement.”

SEC. 3. Implementing Rules. – The Department of Labor and Employment shall, within ninety (90) days from the effectivity of this Act, promulgate such rules and regulations as may be necessary for the effective implementation of this Act.

SEC. 4. Repealing Clause. – All laws, decrees, executive orders, rules and regulations or parts thereof, which are inconsistent with this Act, are hereby repealed, amended or modified accordingly.

SEC 5. Effectivity Clause. – This Act shall take effect fifteen (15) days after its publication in the Official Gazette or in two (2) newspapers of general circulation.

Approved,