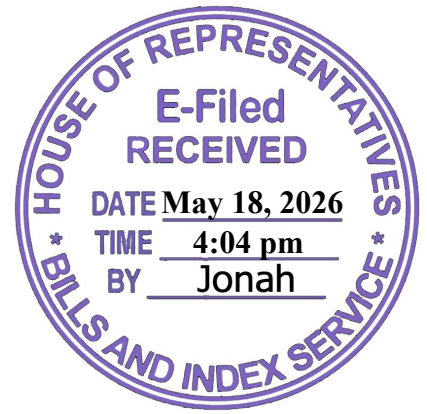


Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City, Metro Manila

TWENTIETH CONGRESS
First Regular Session

HOUSE BILL NO. 9302



Introduced by **Representative AGATHA PAULA “AGAY” A. CRUZ**

EXPLANATORY NOTE

More than a decade after the enactment of the *Batas Kasambahay*, many domestic workers are still outside the social protection systems that the law promised them. A 2019 government survey¹ revealed that 83% of the 1.4 million registered domestic workers were not covered by any social security benefit, while 2% shouldered the full cost of their entire social benefit contributions without employer's share.² The survey further showed that 79.2% were not enrolled in the SSS, 80.7% had no PhilHealth benefits, and 87.6% were not covered by Pag-IBIG benefits.³

This is not new. As early as 2014, the Department of Labor and Employment reported that out of an estimated two million Filipino domestic workers, only around 120,000 were registered with the SSS, 60,000 with PhilHealth, and 25,000 with Pag-IBIG.⁴

Compliance with the statutory duty of household employers to register, report, and remit contributions for SSS, PhilHealth, and Pag-IBIG coverage remains inadequate and uneven due to various reasons, including lack of awareness, confusion over procedures, financial difficulty, or the persistent informality of household employment.

The proposed *Kasambahay CARE* (Contribution Amnesty and Relief for Employers) Act seeks to address this compliance gap by establishing a one-time penalty condonation program for household employers with unpaid, deficient, or late contributions to the SSS, PhilHealth, and Pag-IBIG Fund arising from the employment of *kasambahays*.

By waiving penalties that may otherwise remain uncollected, this measure facilitates the collection of principal contributions, the updating of membership records,

¹ DOLE and PSA Survey: 1.4 million *kasambahays* in the country, 72% on live-out arrangement, NATIONAL WAGES AND PRODUCTIVITY COMMISSION, 17 February 2021, available at <https://nwpc.dole.gov.ph/dole-and-psa-survey-1-4-million-kasambahays-in-the-country-72-on-live-out-arrangement-2/>

² Ferdinand Patinio, Only 35K of 1.4M '*kasambahay*' have written contracts: survey, PHILIPPINE NEWS AGENCY, 02 December 2020, available at <https://www.pna.gov.ph/articles/1123651>

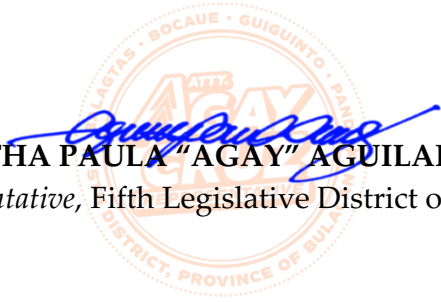
³ Leslie Ann Aquino, 83 percent of domestic helpers do not have SSS, Philhealth and Pag-IBIG benefits -- DOLE, MANILA BULLETIN, 06 December 2020, available at <https://mb.com.ph/2020/12/06/83-percent-of-domestic-helpers-do-not-have-sss-philhealth-and-pag-ibig-benefits-dole/>

⁴ Mayen Jaymalin, DOLE: Many employers not observing *Kasambahay Law*, PHILIPPINE STAR, 11 August 2015, available at <https://www.philstar.com/headlines/2015/08/11/1487143/dole-many-employers-not-observing-kasambahay-law>

the expansion of coverage, and the strengthening of social protection for domestic workers.

It gives household employers a fair and final chance to comply, strengthens the implementation of the *Batas Kasambahay*, and ensures that the promise of social protection reaches the workers who help keep Filipino homes in order.

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



AGATHA PAULA "AGAY" AGUILAR CRUZ
Representative, Fifth Legislative District of Bulacan

Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City

TWENTIETH CONGRESS
First Regular Session

HOUSE BILL NO. 9302

Introduced by **Representative AGATHA PAULA “AGAY” A. CRUZ**

AN ACT
PROVIDING FOR THE CONDONATION OF PENALTIES FOR UNPAID,
DEFICIENT, OR LATE SOCIAL SECURITY SYSTEM, PHILIPPINE HEALTH
INSURANCE CORPORATION, AND HOME DEVELOPMENT MUTUAL FUND
CONTRIBUTIONS OF HOUSEHOLD EMPLOYERS UNDER REPUBLIC ACT NO.
10361, OTHERWISE KNOWN AS THE “DOMESTIC WORKERS ACT” OR “BATAS
KASAMBAHAY,” AND FOR OTHER PURPOSES

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

1 **Section 1. Short Title.** – This Act shall be known as the “Kasambahay CARE
2 (Contribution Amnesty and Relief for Employers) Act.”
3

4 **Section 2. Definition of Terms.** – As used in this Act:
5

6 (a) *Concerned agencies* refer to the Social Security System (SSS), Philippine Health
7 Insurance Corporation (PhilHealth), and the Home Development Mutual
8 Fund, otherwise known as the Pag-IBIG Fund;
9

10 (b) *Contributions* refer to the amounts due and payable to the SSS, PhilHealth, and
11 Pag-IBIG by reason of the employment of a kasambahay as mandated under
12 relevant laws;
13

14 (c) *Household employer* refers to any person who engages the services of a
15 kasambahay under Republic Act (RA) No. 10361;
16

17 (d) *Kasambahay* refers to a domestic worker as defined under RA No. 10361 and its
18 implementing rules and regulations (IRR); and
19

20 (e) *Penalties* refer to all penalties, interests, surcharges, fines, and similar monetary
21 charges imposed by the concerned agencies by reason of the late, deficient, or

1 non-remittance of contributions due under applicable laws, rules, and
2 regulations.

3
4 **Section 3. Social Benefits Penalty Condonation Program.** – There is hereby
5 established a one-time penalty condonation program for household employers of
6 kasambahays who have failed to register, report, or remit, in whole or in part,
7 contributions due to the concerned agencies, pursuant to RA No. 10361.

8
9 A covered household employer may, within six (6) months from the effectivity of
10 the implementing rules and regulations of this Act provided under Section 14 hereof, pay
11 the full amount of unpaid principal contributions or submit a proposal to pay the same in
12 installments within a period not exceeding twenty-four (24) months from approval of the
13 proposal.

14
15 Upon full payment of the principal contributions or faithful compliance with an
16 approved installment plan, the applicable penalties arising from the late, deficient, or non-
17 remittance of such contributions shall be condoned.

18
19 The condonation shall not apply to the principal amount of unpaid contributions,
20 which shall remain due and demandable.

21
22 **Section 4. Coverage.** – This Act shall cover household employers who, at any time
23 from 4 June 2013 until the effectivity of this Act, failed to register, report, or remit, in whole
24 or in part, contributions due by reason of the employment of a kasambahay under
25 Republic Act No. 10361 and its IRR.

26
27 A household employer may avail of the condonation program only once. Such
28 availment may cover all unpaid, deficient, or late contributions, and the corresponding
29 penalties, interests, surcharges, fines, or similar monetary charges, arising from the
30 employment of one or more kasambahays by the same household employer during the
31 covered period.

32
33 The following household employers may avail of the condonation program:

- 34
35 (a) Those not yet registered with the appropriate registration system of the
36 concerned agencies, provided that they register within the availment period
37 prescribed under this Act;
38
39 (b) Those with pending civil or administrative collection cases involving unpaid
40 contributions, penalties, interests, surcharges, fines, or similar monetary
41 charges; and
42
43 (c) Those who, before the effectivity of this Act, have paid the principal
44 contributions due but have not paid the corresponding penalties, interests,

1 surcharges, fines, or similar monetary charges.

2
3 This Act shall apply only to delinquencies arising from the employment of a
4 kasambahay. It shall not apply to delinquencies arising from commercial, business,
5 professional, or non-household employment.
6

7 **Section 5. Exclusions.** – No condonation shall be granted in cases involving fraud,
8 falsification, misrepresentation, misappropriation, or willful evasion, without prejudice
9 to the authority of the concerned agencies, prosecutors, or courts to determine liability
10 under applicable laws.
11

12 No condonation shall be granted with respect to amounts deducted or withheld
13 from the compensation of the kasambahay but not remitted to the concerned agency. Such
14 amounts shall be immediately remitted and shall not be subject to installment payment,
15 without prejudice to the imposition of civil, administrative, or criminal liability under
16 applicable laws.
17

18 **Section 6. Application.** – To avail of the condonation program, the household
19 employer shall submit an application to the concerned agency through the Kasambahay
20 Unified Registration System (KURS) and comply with the requirements of this Act and its
21 IRR.
22

23 Unregistered household employers shall likewise register with the appropriate
24 registration system of the concerned agencies within the availment period prescribed
25 under this Act.
26

27 The concerned agencies shall adopt simplified, coordinated, and accessible
28 procedures for registration, assessment, payment, and monitoring of compliance by
29 household employers.
30

31 **Section 7. Installment Payment.** – A household employer who is unable to pay the
32 full amount of unpaid principal contributions within the availment period may submit a
33 proposal to pay the same in installments within a period not exceeding twenty-four (24)
34 months from approval of the proposal.
35

36 The concerned agencies shall approve or disapprove the installment proposal in
37 accordance with the standards and procedures prescribed in the implementing rules and
38 regulations.
39

40 The approved installment plan shall specify the total principal contributions due,
41 the amount and schedule of amortizations, the conditions for continued availment of the
42 condonation, and the consequences of default.
43

44 **Section 8. Effect of Default.** – Failure to pay the principal contributions within the

1 availment period, or default in the payment of any installment under an approved
2 proposal, shall result in the cancellation of the condonation.

3
4 In such case, the household employer shall be liable for the full amount of unpaid
5 contributions and all applicable penalties computed from the date the contributions
6 became due, in accordance with RA No. 11199, RA No. 9679, RA No. 7875, as amended,
7 RA No. 11223, and other applicable laws, rules, and regulations.

8
9 The implementing rules and regulations may prescribe a reasonable cure period
10 for meritorious cases, provided that the household employer has substantially complied
11 with the approved installment plan.

12
13 **Section 9. Pending Cases.** – Availment of the condonation program may be
14 considered a ground for the suspension, compromise, or termination of civil or
15 administrative collection proceedings, subject to full payment of the principal
16 contributions or faithful compliance with an approved installment plan.

17
18 Nothing in this Act shall be construed to extinguish criminal liability arising from
19 fraud, falsification, misrepresentation, misappropriation, willful evasion, or other
20 criminal acts, unless otherwise allowed by applicable law and approved by the competent
21 authority.

22
23 **Section 10. Protection of Kasambahays.** – The failure, refusal, or default of the
24 household employer to register, report, or remit contributions shall not prejudice any
25 right, remedy, benefit, or entitlement available to the kasambahay under RA No. 10361,
26 RA No. 11199, RA No. 9679, RA No. 7875, as amended, RA No. 11223, and their respective
27 implementing rules and regulations.

28
29 The concerned agencies shall adopt mechanisms to ensure that a kasambahay is
30 not deprived of benefits or entitlements solely by reason of the household employer's
31 noncompliance, subject to the conditions and procedures prescribed by law.

32
33 **Section 11. No Refund.** – Penalties, interests, surcharges, fines, or similar monetary
34 charges already paid before the effectivity of this Act shall not be refunded.

35
36 **Section 12. Continuing Compliance.** – A household employer whose application
37 has been approved shall thereafter comply with all registration, reporting, and remittance
38 requirements under applicable laws, rules, and regulations. Any subsequent delinquency
39 shall not be eligible for condonation under this Act.

40
41 **Section 13. Report to Congress.** – Within six (6) months from the expiration of the
42 availment period, the concerned agencies shall submit to Congress a joint report on the
43 implementation of this Act.

1 The report shall include the number of household employers who availed of the
2 condonation program, the number of kasambahays covered, the amount of principal
3 contributions collected, the amount of penalties condoned, the number and status of
4 installment plans approved, and recommendations to improve compliance with Republic
5 Act No. 10361.

6
7 **Section 14. *Implementing Rules and Regulations.*** – Within sixty (60) days from the
8 effectivity of this Act, the concerned agencies shall jointly issue the implementing rules
9 and regulations necessary for the effective implementation of this Act.

10
11 Failure to issue the implementing rules and regulations within the prescribed
12 period shall not prevent the implementation of this Act. In such case, the six-month
13 availing period shall commence on the sixty-first day from the effectivity of this Act.

14
15 **Section 15. *Separability Clause.*** – If any part or provision of this Act is held
16 unconstitutional or invalid, the remainder thereof not otherwise affected shall remain in
17 full force and effect.

18
19 **Section 16. *Repealing Clause.*** – All laws, executive orders, presidential decrees,
20 administrative orders, rules and regulations, issuances, or parts thereof inconsistent with
21 or contrary to the provisions of this Act are hereby repealed or amended accordingly.

22
23 **Section 17. *Effectivity.*** – This Act shall take effect fifteen (15) days after its
24 publication in the *Official Gazette* or in a newspaper of general circulation.

25
26 *Approved,*