# TWENTIETH CONGRESS OF THE REPUBLIC OF THE PHILIPPINES First Regular Session

25 AUG -7 P3:09

**SENATE** 

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S.B. No. <u>1122</u>



### **Introduced by SEN. WIN GATCHALIAN**

#### **AN ACT**

PROVIDING FOR THE CONDONATION OF PENALTIES FOR UNPAID SOCIAL SECURITY SYSTEM, PHILIPPINE HEALTH INSURANCE CORPORATION, AND THE HOME DEVELOPMENT MUTUAL FUND CONTRIBUTIONS OF HOUSEHOLD EMPLOYERS RELATIVE TO REPUBLIC ACT NO. 10361, ALSO KNOWN AS THE "DOMESTIC WORKERS ACT" OR "BATAS KASAMBAHAY"

#### **EXPLANATORY NOTE**

The enactment of RA No. 10361 or the "Kasambahay Law" in 2013 was intended to extend social security benefits protection coverage to the kasambahays of Filipino homes. Section 30 of the said law provides that Social Security System (SSS), Philippine Health Insurance Corporation (PhilHealth), and Home Development Mutual Fund or Pag-IBIG premium payments or contributions of kasambahays shall be shouldered by the employer. However, the domestic worker will pay a proportionate share for such contributions if they are receiving a wage of Php 5,000.00 and above per month.

As of 2023, the Department of Labor and Employment (DOLE) stated that there are 1.4 million Filipinos working as kasambahays. Out of these 1.4 million kasambahays, only 8.3 percent are covered by social protection agencies. Thus, this

<sup>&</sup>lt;sup>1</sup> Patinio, Ferdinand. "Only 35k of 1.4 million domestic workers have employment contracts: DOLE." Philippine News Agency. January 13, 2023. <a href="https://www.pna.gov.ph/articles/1192685">https://www.pna.gov.ph/articles/1192685</a>

measure intends to provide an additional policy tool to improve the number of kasambahays who are covered by and/or receiving social security benefits. To encourage payment of unpaid SSS, PhilHealth, and Pag-IBIG premiums by delinquent employers, this measure introduces a condonation program which shall cover penalties for unpaid premium contributions of employers for their kasambahays. The condonation program shall cover all unpaid premium contributions since the effectivity of the Republic Act No. 10361, also known as the "Domestic Workers Act" or "Batas Kasambahay", and may be availed of by delinquent employers within six (6) months from the effectivity of the implementing rules and regulations of this proposed measure, if approved.

In view of the paramount need to provide social security benefits for kasambahays, the immediate passage of this measure is earnestly sought.

WIN GATCHALIAN

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RECLIVED BY

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

SECTION 1. *Title.* – This Act shall be known as the "Kasambahay Social Entitlements Amnesty Act".

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SEC. 2. Social Benefits Penalty Condonation Program for Employers of Kasambahays. – Any household employer who is delinquent or has not remitted all premium contributions due and payable to the Social Security System (SSS), Philippine Health Insurance Corporation (PhilHealth), and Home Development Mutual Fund or Pag-IBIG, pursuant to Section 30 of Republic Act (RA) No. 10361, also known as the "Domestic Workers Act" or "Batas Kasambahay" may, within six (6) months from the effectivity of the implementing rules and regulations of this Act provided under Section 6 herein, remit such unpaid premium contributions, or submit a proposal to pay the same in installments

within a period of not more than twenty-four (24) months from the approval 1 2 of the proposal, without incurring the prescribed penalties imposed under RA No. 10361, RA No. 11199 or the "Social Security Act of 2018", RA No. 9679, 3 or the "Home Development Mutual Fund Law of 2009", RA No. 7875, or the 4 "National Health Insurance Act of 1995", as amended by RA No. 10606, and 5 other rules and regulations, subject to the implementing rules and regulations 6 of this Act: Provided, That the household employer submits the corresponding 7 collection lists together with the remittance or proposal to pay in installments: 8 Provided, further, That in case the household employer fails to remit premium 9 contributions within the six-month grace period mandated by this Section, or 10 defaults in the payment of any amortization provided in the approved proposal, 11 the prescribed penalties shall be imposed from the time the premium 12 contributions shall have first became due, and/or when the employer's 13 obligation to contribute to these social benefits shall have become due and 14 payable, as provided under the penalty provisions of RA No. 11199, RA No. 15 9679, and RA No. 7875, as amended. 16

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SEC. 3. *Coverage*. – Any household employer who is delinquent or has not remitted all premium contributions due and payable to the SSS, PhilHealth and Pag-IBIG since June 4, 2013, may avail of the condonation program for penalties under this Act, including the following:

- 22 a) Those not yet registered with the SSS-PhilHealth-Pag-IBIG Unified
  23 Registration System for Kasambahays, pursuant to RA No. 10361,
  24 but will register as a household employer after the effectivity of this
  25 Act and within the six-month grace period provided in Section 2 of
  26 this Act;
  - Those with cases pending before the courts or before the Office of the Prosecutor, involving collection of premium contributions and/or penalties; and
  - c) Those who, before the effectivity of the Act, have remitted all premium contributions due and payable to the SSS, PhilHealth and Pag-IBIG, but have not paid the corresponding penalties.

1	SEC. 4. Unregistered Household Employer. – To qualify for the
2	condonation program for penalties under this Act, an unregistered household
3	employer shall register with the unified registration system branch having
4	jurisdiction over the household address of the household employer, and comply
5	with the requirements under Section 2 hereof, and those that may be required
6	by the implementing rules and regulations of this Act.
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8	SEC. 5. Guaranty of Entitlement. – The failure or refusal of the employe
9	to pay or remit the premium contributions under this condonation program
10	shall not prejudice the right of the employee to the benefits of the coverage
11	under RA No. 11199, RA No. 9679, and RA No. 7875, as amended.
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13	SEC. 6. Implementing Rules and Regulations. – Within thirty (30) days
14	after the approval of this Act, the Social Security Commission, the Board of
15	Trustees of the PAG-IBIG Fund, the Board of Directors of PhilHealth, and any
16	other government agencies relevant to the implementation of the Batas
17	Kasambahay, shall issue the necessary rules and regulations for the effective
18	implementation of this Act.
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20	SEC. 7. Separability Clause. – If any provision of this Act is declared
21	invalid or unconstitutional, the provisions not affected thereby shall remain in
22	full force and effect.
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24	SEC. 8. Repealing Clause All laws, presidential decrees, executive
25	orders, presidential proclamations, rules and regulations or parts thereof
26	contrary to or inconsistent with this Act are hereby repealed or modified
27	accordingly.
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29	SEC. 9. Effectivity. – This Act shall take effect fifteen (15) days after its
30	publication in the Official Gazette or in a newspaper of general circulation in the

Approved,

Philippines.

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