


FIFTEENTH CONGRESS OF THE REPUBLIC )  
OF THE PHILIPPINES )  
First Regular Session )



'11 MAY -4 P2:20

SENATE  
S. No. 2799

RECEIVED BY: 

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Introduced by Senator Miriam Defensor Santiago

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EXPLANATORY NOTE

The Constitution, Article 15, Section 4 provides: "The family has the duty to care for its elderly members but the State may also do so through just programs of social security."

Each year, millions of individuals in the United States fall victims to financial exploitation, including mail, telemarketing, and Internet fraud. Many of those who fall prey to such exploitation are seniors.

It is reportedly difficult to estimate the prevalence of fraud that targets senior citizens because cases are severely underreported and national statistics on senior citizens fraud do not exist.

According to a 2009 report by the MetLife Mature Market Institute, the annual financial loss by victims of senior financial abuse in the United States is estimated to be at least \$2.6 billion.

Perpetrators of mail, telemarketing, and Internet fraud frequently target senior citizens because they are often vulnerable and trusting people.

As victims of such fraudulent schemes, many senior citizens reportedly pay a financial cost, having been robbed of their hard-earned life savings, and frequently pay an emotional cost, losing their self-respect and dignity.

A 2003 report by the American Association of Retired Persons (AARP) found that, though the crime of telemarketing fraud is grossly underreported among senior citizens who have been victims of such fraud, senior citizens who are properly counseled by trained peer volunteers are less likely to fall victim to fraudulent practices.

Thus, consumer awareness is the best protection from fraud.<sup>1</sup> Therefore, this bill seeks to prevent mail, telemarketing, and internet fraud targeting senior citizens and to educate the public, senior citizens, their families, and their caregivers about how to identify and combat fraudulent activity.

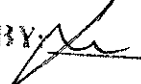
*Miriam Defensor Santiago*  
MIRIAM DEFENSOR SANTIAGO

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<sup>1</sup> <http://www.govtrack.us/congress/billtext.xpd?bill=s112-465>.

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1 AN ACT  
2 TO PREVENT MAIL, TELEMARKETING, AND INTERNET FRAUD TARGETING  
3 SENIOR CITIZENS AND TO EDUCATE THE PUBLIC, SENIOR CITIZENS,  
4 THEIR FAMILIES, AND THEIR CAREGIVERS ABOUT HOW TO IDENTIFY AND  
5 COMBAT FRAUDULENT ACTIVITY

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

6 SECTION 1. *Short Title.* – This Act shall be known as the “Senior Financial  
7 Empowerment Act.”

8 SECTION 2. *Centralized Service for Consumer Education on Mail, Telemarketing, and*  
9 *Internet Fraud Targeting Senior Citizens.* –

10 (A) Requirement. – The Secretary of Trade and Industry, after consultation with the  
11 Secretary of Justice, the Secretary of Health, and the Postmaster General, shall:

12 (1) periodically disseminate to senior citizens and the families and caregivers of  
13 senior citizens, general information on mail, telemarketing, and Internet fraud  
14 targeting seniors, including descriptions of the most common fraud schemes;

15 (2) periodically disseminate to senior citizens, and families and caregivers of seniors,  
16 information on methods available to report fraud targeting seniors, such as:

17 (i) referring complaints to law enforcement agencies, including the Philippine  
18 National Police and the National Bureau of Investigation; and

19 (ii) calling a telephone number established by the Department of Trade and  
20 Industry (DTI) for reporting mail, telemarketing, and Internet fraud;

21 (3) in response to a specific request by a party to the DTI inquiring about any history  
22 of fraud committed by a particular entity or individual, provide to such party any  
23 publically available information on any record of law enforcement action for

1 fraud against such entity or individual by the DTI, and by any other agency that  
2 reports such actions to the DTI; and

3 (4) maintain a Website to serve as a resource for information for senior citizens, and  
4 families and caregivers of senior citizens, regarding mail, telemarketing, and  
5 Internet fraud targeting senior citizens.

6 (B) Procedures and Commencement. – The Secretary of Trade and Industry shall  
7 establish and implement procedures to carry out the requirements of paragraph (A), including  
8 procedures:

9 (1) with respect to the frequency and mode of dissemination of information; and

10 (2) that provide for the implementation of the requirements of such paragraph not  
11 later than one year after the date of the effectivity of this Act.

12 SECTION 3. *Separability Clause.* – If any provision of this Act shall be declared  
13 unconstitutional, any other provision not affected thereby shall remain in full force and effect.

14 SECTION 4. *Repealing Clause.* – All laws, decrees, orders, rules and regulations, or  
15 parts thereof inconsistent with this Act are hereby repealed or amended accordingly.

16 SECTION 5. *Effectivity.* – This Act shall take effect fifteen (15) days after its publication  
17 in at least two (2) newspapers of general circulation.

Approved,

/fldp