

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



'14 MAR 11 P5:00

SENATE
S.B. NO **2174**

RECEIVED BY: *ji*

Introduced by Senator Maria Lourdes Nancy S. Binay

AN ACT TRANSFERRING THE JURISDICTION OF CRIMINAL CASES ARISING
FROM VIOLATIONS OF COMMERCIAL LAWS TO SPECIAL COMMERCIAL
COURTS

EXPLANATORY NOTE

Since the designation of the Supreme Court of Regional Trial Courts (RTC) to act as Special Commercial Courts, various trainings have been provided to judges to help them understand the complexities of various commercial laws they are tasked to implement. As a result, Judges of Special Commercial Courts have now become specialists or experts in handling commercial cases.

However, because of the current legal text of Section 5.2. of Republic 8799 also known as Securities Regulation Code, Special Commercial Courts and regular RTCs seem to exercise concurrent jurisdiction insofar as the criminal aspects of commercial cases are concerned. Since only civil aspects of the commercial cases are assigned to Special Commercial Courts, criminal violations of commercial laws are still tackled by regular RTC Judges who may not be as astute as judges with deep background on commercial matters.

Section 5.2. of Republic 8799 also known as Securities Regulation Code states that:

“5.2. The Commission’s jurisdiction over all cases enumerated under section 5 of Presidential Decree No. 902-A is hereby transferred to the Courts of general jurisdiction or the appropriate Regional Trial Court: *Provided*, That the Supreme Court in the exercise of its authority may designate the Regional Trial Court branches that shall exercise jurisdiction over the cases. The Commission shall retain jurisdiction over pending cases involving intra-corporate disputes submitted for final resolution which should be resolved within one (1) year from the enactment of this Code. The Commission shall retain jurisdiction over pending suspension of payment/rehabilitation cases filed as of 30 June 2000 until finally disposed.”

Given the current legal situation, the best solution is to transfer jurisdiction on criminal cases on commercial matters to Special Commercial Courts since judges of the latter courts are better-equipped to handle these cases.

For the above reasons, the passage of this bill is earnestly recommended.


MARIA LOURDES NANCY S. BINAY
Senator

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AN ACT TRANSFERRING THE JURISDICTION OF CRIMINAL CASES ARISING FROM VIOLATIONS OF COMMERCIAL LAWS TO SPECIAL COMMERCIAL COURTS

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

SECTION 1. Section 5 of Republic Act 8799 is hereby amended to read as follows:

“5.1. X X X

5.2. The Commission’s jurisdiction over all cases enumerated under section 5 of Presidential Decree No. 902-A is hereby transferred to the Courts of general jurisdiction or the appropriate Regional Trial Court: *Provided*, That the Supreme Court in the exercise of its authority may designate the Regional Trial Court branches that shall exercise jurisdiction over the cases. The Commission shall retain jurisdiction over pending cases involving intra-corporate disputes submitted for final resolution which should be resolved within one (1) year from the enactment of this Code. The Commission shall retain jurisdiction over pending suspension of payment/rehabilitation cases filed as of 30 June 2000 until finally disposed.

5.3. JURISDICTION OVER CRIMINAL CASES FOR VIOLATION OF THE CORPORATION CODE, SECURITIES REGULATION CODE, PRESIDENTIAL DECREE 902-A, INTELLECTUAL PROPERTY CODE, INSURANCE CODE, FINANCIAL REHABILITATION AND INSOLVENCY ACT OF 2010 AND OTHER SPECIAL COMMERCIAL LAWS IS HEREBY TRANSFERRED TO SPECIAL COMMERCIAL COURTS CURRENTLY DESIGNATED AS SUCH OR SUCH AS MAY BE ADDITIONALLY DESIGNATED BY THE SUPREME COURT.”

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

Approved,