

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



Senate
Office of the Secretary

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SENATE
S. No. 1345

RECEIVED BY: *J*

Introduced by Senator Miriam Defensor Santiago

EXPLANATORY NOTE

“Financial crimes,” such as counterfeiting, money laundering, financial fraud, is one of the hardest categories of crime to enforce and prosecute. This is because it involves a deep understanding of the nuances of the financial system which only a handful of people in our country are capable of. Moreover, advances in technology have also led to more elaborate set ups that leaves our unsuspecting law enforcers clueless in catching the perpetrators.

In order to step up and enable our government to enforce our laws against financial crimes, we should establish a dedicated team who shall focus on prosecuting such crimes and be trained accordingly. As an institution, the government should set up a task force who can collate all previous efforts and use them in the fight against financial crimes. Specialization and extra-attention on catching and prosecuting such type of crimes will allow us breakthroughs in enforcing our financial laws.


This bill seeks to create a task force that will centralize all efforts in fighting financial crimes.*

Miriam Defensor Santiago
MIRIAM DEFENSOR SANTIAGO

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1 AN ACT
2 ESTABLISHING THE SPECIAL JOINT TASK FORCE ON FINANCIAL CRIMES

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

3 SECTION 1. *Short Title.* – This Act shall be known as the “Financial Crimes Task Force
4 Act.”

5 SECTION 2. *Purpose.* – The purposes of this Act are to strengthen the efforts of the
6 Department of Justice and national and local agencies to investigate and prosecute significant
7 financial crimes; recover the proceeds of such crimes; and ensure just and effective punishment
8 of those who perpetrate financial crimes.

9 SECTION 3. *Special Joint Task Force on Financial Crimes.* – The Secretary of Justice
10 shall establish within the Department of Justice a Special Joint Task Force on Financial Crimes
11 (referred to in this Act as the “Task Force”), whose focus shall be the investigation and
12 prosecution of fraud, misrepresentation, malfeasance, or related crimes with respect to the
13 development, advertising, brokerage, or sale of financial products, including derivatives,
14 mortgage-backed securities, credit default swaps, and subprime loans, or related services
15 committed by public or private commercial entities and directors, officers, professional advisers,
16 and employees thereof (referred to in this Act as “financial crimes”).

17 SECTION 4. *Membership.* – The Task Force shall have the following permanent
18 members:

19 A. Secretary of Justice, who shall serve as Chair;

- 1 B. Secretary of Finance, who shall serve as Vice Chair;
- 2 C. Director of the National Bureau of Investigation;
- 3 D. Chairman of the Securities and Exchange Commission;
- 4 E. Governor of the Bangko Sentral ng Pilipinas;
- 5 F. Commissioner of the Insurance Commission
- 6 G. Such other officers as the Secretary of Justice may designate.

7 SECTION 5. *Operation.* – The Secretary of Justice shall–

- 8 A. Convene and direct the work of the Task Force in fulfilling all its functions under
- 9 this Act; and
- 10 B. Convene the first meeting of the Task Force not later than ten (10) days after the
- 11 date of enactment of this Act and shall thereafter convene the Task Force at such times as he or
- 12 she deems appropriate, but not less than once every three (3) months.

13

14 SECTION 6. *Functions.* - The Task Force shall -

- 15 A. Provide direction for the investigation and prosecution of cases of financial
- 16 crimes when such cases are determined by the Secretary of Justice, for purposes of this Act, to be
- 17 significant;
- 18 B. Provide recommendations for allocation and reallocation of resources of the
- 19 Department of Justice for investigation and prosecution of significant financial crimes, recovery
- 20 of proceeds from such crimes to the extent permitted by law, and other matters determined by the
- 21 Task Force from time to time to be of the highest priority in the investigation and prosecution of
- 22 such crimes; and
- 23 C. Make recommendations to the President from time to time for—
- 24 1. action to enhance cooperation among departments, agencies, and entities of
- 25 the government in the investigation and prosecution of significant financial
- 26 crimes;

- 1 2. action to enhance cooperation among national and local authorities
- 2 responsible for the investigation and prosecution of significant financial
- 3 crimes; and
- 4 3. changes in rules, regulations, or policy to improve the effective investigation
- 5 and prosecution of significant financial crimes.

6 D. Make recommendations to the Congress regarding appropriate laws to prevent,

7 curb, investigate, and prosecute financial crimes.

8 SECTION 7. *Appropriations.* –The amount necessary for the initial implementation of

9 this Act shall be charged against the appropriations of the Department of Justice under the

10 current General Appropriations Act. Thereafter, such sum as may be necessary for its full

11 implementation shall be included in the annual General Appropriations Act as a distinct and

12 separate item.

13 SECTION 8. *Separability Clause.* – If any provision or part hereof is held invalid or

14 unconstitutional, the remainder of the law or the provision not otherwise affected shall remain

15 valid and subsisting.

16 SECTION 9. *Repealing Clause.* – Any law, presidential decree or issuance, executive

17 order, letter of instruction, administrative order, rule or regulation contrary to or inconsistent

18 with the provisions of this Act is hereby repealed, modified, or amended accordingly.

19 SECTION 10. *Effectivity Clause.* – This Act shall take effect fifteen (15) days after its

20 publication in at least two (2) newspapers of general circulation.

Approved,