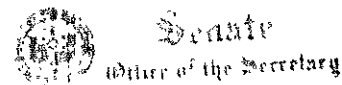


SIXTEENTH CONGRESS OF THE REPUBLIC)
OF THE PHILIPPINES)
Second Regular Session)



14 DEC 22 P4:15

SENATE
S. No. 2542

[Handwritten signature]

Introduced by Senator Miriam Defensor Santiago

AN ACT
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

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 are victims of 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 \$2,600,000,000.

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

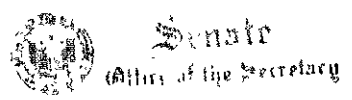
As victims of such fraudulent schemes, many senior citizens reportedly pay a financial cost, having been robbed of their hard-earned life savings, and frequently pay an emotional cost, losing their self-respect and dignity.

A 2003 report by American Association of Retired Persons (AARP) allegedly 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 supposedly the best protection from fraud. 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.¹


MIRIAM DEFENSOR SANTIAGO
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¹ This bill was originally filed in the U.S. Senate by Senators Gillibrand and Kohl during the 11th Congress, 1st Session.



14 DEC 22 P 4:15

SENATE
S. No. 2542

RECEIVED BY: *[Signature]*

Introduced by Senator Miriam Defensor Santiago

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

AN ACT

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

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

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

(1) *Requirement.* – The Department of Trade and Industry (DTI), after consultation with the Department of Justice, the Secretary of Health, and the Postmaster General, shall:

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

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

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

4 (ii) calling a telephone number established by the DTI for reporting
5 mail, telemarketing, and Internet fraud;

6 (c) in response to a specific request by a party to the DTI inquiring about
7 any history of fraud committed by a particular entity or individual,
8 provide to such party any publically available information on any record
9 of law enforcement action for fraud against such entity or individual by
10 the DTI, and by any other agency that reports such actions to the DTI;
11 and

12 (d) maintain a Website to serve as a resource for information for senior
13 citizens, and families and caregivers of senior citizens, regarding mail,
14 telemarketing, and Internet fraud targeting senior citizens.

15 (2) *Procedures and Commencement.* -- The DTI shall establish and implement
16 procedures to carry out the requirements of paragraph (1), including
17 procedures:

18 (a) with respect to the frequency and mode of dissemination of information;
19 and

20 (b) that provide for the implementation of the requirements of such
21 paragraph not later than one year after the date of the effectivity of this
22 Act.

23 SECTION 3. *Separability Clause.* -- If any provision of this Act shall be declared
24 unconstitutional, any other provision not affected thereby shall remain in full force and
25 effect.

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

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

Approved,

/fldpdec2014