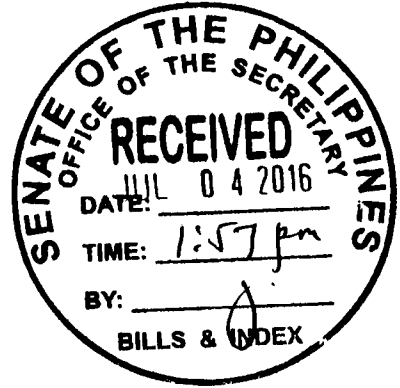


**SEVENTEENTH CONGRESS OF THE)
REPUBLIC OF THE PHILIPPINES)**
First Regular Session



SENATE

Senate Bill No. 332

Introduced by **SENATOR JOSEPH VICTOR G. EJERCITO**

**AN ACT CONSIDERING RICE OR CORN HOARDING AND
PROFITEERING DURING OR ON THE OCCASION OF ANY
CALAMITY OR EMERGENCY DECLARED AS SUCH BY THE
PRESIDENT AS EQUIVALENT TO ECONOMIC SABOTAGE, PARTLY
AMENDING FOR THE PURPOSE REPUBLIC ACT NO. 7581,
OTHERWISE KNOWN AS THE PRICE ACT, AND FOR OTHER
PURPOSES**

EXPLANATORY NOTE

There is a crisis in the supply and prices of our people's staple food – rice and corn – have suddenly become prevalent, it is now a serious national concern.

Moreover, it has spawned the unwanted materialization and proliferation of illicit rice traders and dealers concerned only with profit, and without at all a tinge of nationalism in the manner they conduct their business.

The materialization and proliferation of illicit rice traders and dealers has resulted equally, if not far more, disastrous than the ebb supply and skyrocketing cost of the commodity itself: the unabated, conflagration-like spread of the incidence of rice and corn hoarding and profiteering whose debilitating effect, especially among the less fortunate and those thriving within the poverty line vortex, is now felt in every nook and corner of the land.

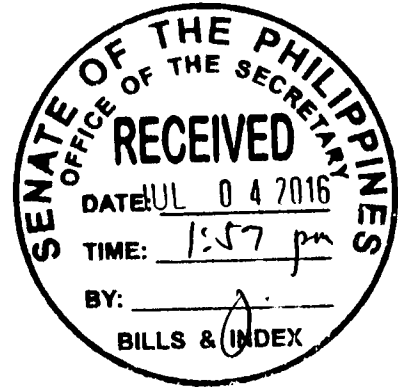
The substance of culled perceptions point to the lacking, if obsolete, penalties provided for, inter alia, the act of rice hoarding, in existing legislations such as Republic Act No. 7581, otherwise known as the Price Act, as the principal, if overriding reason for the magnified persistence of rice hoarding and profiteering. These penalties are now deemed to be disproportionate to, and diminish the gravity of the

prohibited act. Therefore, there has to be a drastic revision if they were to be deterrent they were contemplated to be.

This primordially, is the thesis behind this proposed bill. Note that the bill upgrades the seriousness of the prohibited act to accentuate its highly deleterious effect on people's lives more than to justify its escalated penal sanction therein.

A handwritten signature in black ink, appearing to read 'JOE EJERCITO', with a horizontal line extending to the left from the start of the signature.

JOSEPH VICTOR G. EJERCITO



SENATE

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AN ACT CONSIDERING RICE OR CORN HOARDING AND PROFITEERING DURING OR ON THE OCCASION OF ANY CALAMITY OR EMERGENCY DECLARED AS SUCH BY THE PRESIDENT AS EQUIVALENT TO ECONOMIC SABOTAGE, PARTLY AMENDING FOR THE PURPOSE REPUBLIC ACT NO. 7581, OTHERWISE KNOWN AS THE PRICE ACT, AND FOR OTHER PURPOSES

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

1 **SECTION 1. Short Title.** – This Act shall be known as the “Anti-
2 Rice or Corn Hoarding and Profiteering Act”
3

4 **SECTION 2.** Section 3 of Republic Act 7581 is hereby amended
5 to read as follows:
6

7 **“SECTION 3. Definition of Terms.** – For purposes of this Act,
8 the term:
9

10 **x x x x**

11
12 **(2a) “ECONOMIC SABOTAGE” IS ANY ACT OR ACTIVITY**
13 **WHICH UNDERMINES, WEAKENS OR RENDERS INTO DISREPUTE**
14 **THE ECONOMIC SYSTEM OR VIABILITY OF THE COUNTRY OR**
15 **TENDS TO BRING ABOUT SUCH EFFECTS AND SHALL INCLUDE,**
16 **INTER ALIA, PRICE MANIPULATION TO THE PREJUDICE OF THE**
17 **PUBLIC ESPECIALLY IN THE SALE OF BASIC NECESSITIES AND**
18 **PRIME COMMODITIES.**
19

20 **(3) “Implementing agency” means the department, agency**
21 **or office of the Government, which has jurisdiction over a basic**
22 **necessity or prime commodity as defined in this act, which shall**
23 **be:**
24

1 (a) The Department of Agriculture, with reference to any
2 cultural crops, fish and other marine products, fresh
3 meat, fresh poultry and dairy products, fertilizers and
4 other farm inputs.
5

6 (A1) THE NATIONAL FOOD AUTHORITY, WITH REFERENCE
7 TO RICE AND CORN;
8

9 x x x x”

10
11 SECTION 3. Section 5 of Republic Act 7581 is hereby amended
12 to read as follows:
13

14 “SECTION 5. *Illegal Acts of Price Manipulation.* – Without
15 prejudice to the provisions of existing laws on goods not covered by
16 this Act, it shall be unlawful for any person habitually engaged in the
17 production, manufacture, importation, storage, transport,
18 distribution, sale or other methods of disposition of goods to engage in
19 the following acts of price of any necessity or prime commodity:
20

- 21 (1) Hoarding, which is the undue accumulation **OR**
22 **STORING/KEEPING** by a person or combination of
23 persons of any basic necessity or prime commodity beyond
24 his or their normal inventory levels **AS DETERMINED BY**
25 **THE IMPLEMENTING AGENCY CONCERNED** or the
26 unreasonable limitation or refusal to dispose of, sell or
27 distribute the stocks of any basic necessity or prime
28 commodity to the general public or the unjustified taking
29 out of any basic necessity or prime commodity from the
30 channels of production, trade, commerce and industry.
31 There shall be prima facie evidence of hoarding when a
32 person has stocks of any basic necessity or prime
33 commodity fifty percent (50%) higher than his usual
34 inventory and unreasonably limits, refuses or fails to sell
35 the same to the general public at the time of discovery of
36 the stocks. The determination of a person’s usual
37 inventory shall be reckoned from the third month
38 immediately preceding before the discovery of the stocks in
39 case the person has been engaged in the business for at
40 least three (3) months, otherwise, it shall be reckoned from
41 the time he started his business: **PROVIDED, HOWEVER,**
42 **THAT IN THE CASE OF RICE OR CORN, A PERSON’S**
43 **USUAL INVENTORY THEREOF SHALL BE RECKONED**
44 **FROM THE MONTH IMMEDIATELY PRECEDING**
45 **BEFORE THE DISCOVERY OF THE**
46 **STOCKSIRRESPECTIVE OF THE DATE/TIME HE**
47 **STARTED HIS BUSINESS;**
48

1 (2) Profiteering, which is the sale or offering for sale of any
2 basic necessity or prime commodity at a price grossly in
3 excess of its true worth. There shall be prime facie
4 evidence of profiteering whenever a basic necessity or
5 prime commodity being sold;

6
7 (a) has no price tag;

8
9 (b) is misrepresented as to its weight or measurement;

10
11 (c) is adulterated or diluted **OR MIXED WITH LOWER**
12 **QUALITY IN THE CASE OF RICE OR CORN;** or

13
14 (d) whenever a person raises the price of any basic necessity or
15 prime commodity he sells or offers for sale to the general
16 public by more than ten percent (10%) of its price in the
17 immediately preceding month; Provided, That, in the case of
18 agricultural crops, **EXCEPT RICE AND CORN**, fresh fish,
19 fresh marine products, and other seasonal products covered
20 by this Act and as determined by the implementing agency,
21 the prima facie provision shall not apply; and

22
23 x x x x x

24
25 SECTION 4. A new section shall be added and immediately
26 follow SECTION 13 of Republic Act 7581 to read as follows:

27
28 **"SECTION 13-A. THE ANTI RICE OR CORN HOARDING AND**
29 **PROFITEERING TASK FORCE: COMPOSITION AND FUNCTIONS. -**
30 **WITH RESPECT TO RICE AND CORN, THERE SHALL BE CREATED**
31 **AN ANTI-RICE OR CORN HOARDING AND PROFITEERING TASK**
32 **FORCE IN EVERY PROVINCE, CITY AND MUNICIPALITY TASKED**
33 **WITH MONITORING THE INVENTORY LEVEL OF ALL RICE OR**
34 **CORN MILLS, WAREHOUSES AND STOCKHOUSES TO**
35 **DETERMINE THEIR RESPECTIVE MONTHLY STOCKS OF RICE OR**
36 **CORN THEREIN: PROVIDED, THAT AN INVENTORY REPORT OF**
37 **ANY OR EVERY MONITORING ACTIVITY SHALL BE RENDERED**
38 **BY THE TASK FORCE TO THE IMPLEMENTING AGENCY**
39 **CONCERNED, NOT LATER THAN TEN (10) DAYS FROM THE**
40 **CONCLUSION THEREOF: PROVIDED, FURTHER, THAT THE**
41 **REFUSAL TO ALLOW THE TASK FORCE OR ITS DULY**
42 **AUTHORIZED REPRESENTATIVES TO CONDUCT MONITORING**
43 **ACTIVITY IN THESE ESTABLISHMENTS SHALL BE PRIMA FACIE**
44 **EVIDENCE OF THE ACT OF RICE OR CORN HOARDING AND**
45 **PROFITEERING BEING PERPETRATED THEREAT: PROVIDED,**
46 **FINALLY, THAT IF THESE ESTABLISHMENTS ARE OWNED BY**
47 **JURIDICAL PERSONS, CRIMINAL LIABILITY, FOR VIOLATION OF**
48 **THIS SECTION SHALL ATTACH TO THE RESPECTIVE**

1 **PRESIDENTS, CHIEF OPERATING OFFICERS OR MANAGERS**
2 **THEREOF.**

3
4 **THE ANTI-RICE OR CORN HOARDING AND PROFITEERING**
5 **TASK FORCE SHALL BE COMPOSED OF THE LOCAL CHIEF**
6 **EXECUTIVE OF THE LOCAL GOVERNMENT UNIT CONCERNED,**
7 **WHO SHALL ACT AS ITS CHAIR; ONE (1) REPRESENTATIVE**
8 **FROM THE PROVINCIAL/CITY FIELD/BRANCH OFFICE OF THE**
9 **IMPLEMENTING AGENCY CONCERNED; ONE (1)**
10 **REPRESENTATIVE FROM THE FARMER'S SECTOR; ONE (1)**
11 **REPRESENTATIVE FROM THE LOCAL CONSUMER'S**
12 **ORGANIZATION/GROUP, IF ANY, AND THE LOCAL CHIEF OF**
13 **POLICE, AS MEMBERS.**

14
15 **THE OWNER/OPERATOR/MANAGEMENT OF EVERY RICE**
16 **OR CORN MILL, WAREHOUSE OR STOCKHOUSE IS REQUIRED TO**
17 **SUBMIT TO THE TASK FORCE A DULY-CERTIFIED AND SWORN**
18 **MONTHLY REPORT OF ITS INVENTORY OF RICE OR CORN**
19 **STOCKS; PROVIDED THAT, FAILURE TO DO SO SHALL BE PRIMA**
20 **FACIE EVIDENCE OF THE ACT OF RICE OR CORN HOARDING**
21 **AND PROFITEERING BEING PERPETRATED IN THE**
22 **ESTABLISHMENT CONCERNED.**

23
24 SECTION 5. Section 15 of Republic Act 7581 is hereby amended
25 to read as follows:

26
27 "Section 15. Penalty for acts of Illegal Price Manipulation. - Any
28 person who commits any act of illegal price manipulation of any basic
29 necessity or prime commodity under Section 5 hereof shall suffer the
30 penalty of imprisonment for a period of not less than five (5) years nor
31 more than fifteen (15) years, and shall be imposed a fine of not less
32 than Five Thousand Pesos (P 5,000) nor more than Two Million Pesos
33 (P 2,000,000): **PROVIDED, THAT THE ACTS OF RICE OR CORN**
34 **HOARDING OR PROFITEERING SHALL BE PUNISHABLE BY**
35 **IMPRISONMENT FOR A PERIOD OF NOT LESS THAN TEN (10)**
36 **YEARS NOR MORE THAN TWENTY (20) YEARS AND A FINE OF**
37 **NOT LESS THAN ONE HUNDRED THOUSAND PESOS (P 100,000)**
38 **NOR MORE THAN FIVE MILLION PESOS (P5,000,000): PROVIDED,**
39 **FURTHER, THAT WHEN THE ACTS OF RICE OR CORN HOARDING**
40 **AND PROFITEERING ARE COMMITTED DURING OR ON THE**
41 **OCCASION OF ANY CALAMITY, DISASTER OR ANY EMERGENCY**
42 **DECLARED AS SUCH BY THE PRESIDENT OF THE REPUBLIC OF**
43 **THE PHILIPPINES, THEY SHALL BE DEEMED EQUIVALENT TO**
44 **ECONOMIC SABOTAGE AND PUNISHABLE BY RECLUSION**
45 **PERPETUA: PROVIDED, FINALLY THAT WHEN THE OFFENDER IS**
46 **A JURIDICAL PERSON, CRIMINAL LIABILITY SHALL ATTACH TO**
47 **ITS PRESIDENT, CHIEF OPERATING OFFICER OR MANAGER.**
48

1 **IN ADDITION TO THE PENALTY IMPOSED FOR RICE OR**
2 **CORN HOARDING AND PROFITEERING UNDER THIS ACT,**
3 **HOARDED RICE OR CORN STOCKS SHALL BE CONFISCATED AND**
4 **FORFEITED IN FAVOR OF THE GOVERNMENT.**

5
6 SECTION 6. *Implementing Rules and Regulations.* – The
7 implementing agency concerned shall promulgate the pertinent rules
8 and regulations for the effective implementation of this Act, within
9 sixty (60) days from its effectivity.

10
11 SECTION 7. *Separability Clause.* – The provisions of this Act are
12 hereby declared to be separable from, and independent of, one
13 another and that should one or more of such provisions be declared
14 unconstitutional, the validity of the remaining provisions shall not be
15 affected thereby.

16
17 SECTION 8. *Repealing Clause.* – All laws, decrees, executive
18 issuances, rules and regulations inconsistent with this Act are hereby
19 repealed and/or modified accordingly.

20
21 SECTION 9. *Effectivity Clause.* – This Act shall take effect
22 immediately upon its approval.

23
24
25 Approved,