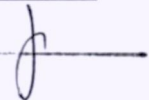




SENATE
S.B. No. 1293

20 JAN 23 P5:31

Introduced by **SENATOR IMEE R. MARCOS**

RECEIVED BY: 

AN ACT
INCREASING THE PENALTIES OF DECEPTIVE, UNFAIR, AND
UNCONSCIONABLE SALES ACTS OR PRACTICES, PARTICULARLY IN TIMES
OF CALAMITY, EMERGENCY CONFLICT AND DISTRESS, THEREBY
AMENDING REPUBLIC ACT NO. 7394 OTHERWISE KNOWN AS THE
"CONSUMER ACT OF THE PHILIPPINES"

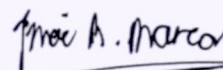
EXPLANATORY NOTE

Article XVI, Section 9 of the 1987 Constitution states, "*The State shall protect consumers from trade malpractices and from substandard or hazardous products.*" Further, Republic Act No. 7394 otherwise known as the, "*Consumer Act of the Philippines*" provides that, "*The State shall promote and encourage fair, honest and equitable relations among parties in consumer transactions and protect the consumer against deceptive, unfair and unconscionable sales acts or practices.*"

The Consumer Protection Group (CPG) under the Department of Trade and Industry (DTI) is mandated to enforce laws to for the protection of consumers, provide consumer education, and form consumer groups. Yet, a number of sellers or retailers persist in selling unconscionably overpriced products.

Lately, in the midst of the *Taal* volcano eruption and the health hazards it inflicted upon the area's residents and all the way through Metro Manila, selling overpriced and substandard N95 masks and disposable surgical masks. While the N95 mask usually costs between P45-P105 and disposable surgical masks should only cost P8 per piece. Surging demand following the catastrophe, unscrupulous sellers jacked up prices of N95 mask prices to a high of P200 a piece.

Thus, this bill seeks to increase the penalties of deceptive, unfair, and unconscionable sales acts or practices, seeking to amend R.A. No. 7394 to provide wider protection to consumers and deter the act of profiteering.



IMEE R. MARCOS
Senator



SENATE
S.B. No. 1293

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INCREASING THE PENALTIES OF DECEPTIVE, UNFAIR, AND
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OF CALAMITY, EMERGENCY CONFLICT AND DISTRESS, THEREBY
AMENDING REPUBLIC ACT NO. 7394 OTHERWISE KNOWN AS THE
"CONSUMER ACT OF THE PHILIPPINES"

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

SECTION 1. Article 60 of Republic Act No. 7394 is hereby amended to read as follows:

"Article 60. *Penalties.* –

a) Any person who shall violate the provisions of Title III, Chapter I, shall upon conviction, be subject to a fine of not less than **ONE HUNDRED THOUSAND PESOS (P100,000.00)** [Five Hundred Pesos (P500.00)] but not more than **ONE MILLION PESOS (P1,000,000.00)** [Ten Thousand Pesos (P10,000.00)] or imprisonment of not less than **ONE (1) YEAR** [five (5) months] but not more than **TWO (2) YEARS** [one (1) year] or both, upon the discretion of the court.
PROVIDED THAT, ANY PERSON WHO SHALL VIOLATE THE PRECEDING IN TIMES OF CALAMITY OR ARMED CONFLICT SHALL UPON CONVICTION, BE SUBJECT TO A FINE OF NOT LESS THAN THREE HUNDRED PESOS (P300,000.00) BUT NOT MORE THAN ONE MILLION PESOS (P1,000,000.00) OR IMPRISONMENT OF NOT LESS THAN TWO (2) YEARS AND ONE (1) DAY BUT NOT MORE THAN FOUR (4) YEARS OR BOTH, AT THE DISCRETION OF THE COURT.

b) In addition to the penalty provided for in paragraph (1), the court may grant an injunction restraining the conduct constituting the contravention of the

1 provisions of Articles 50 and 51 and/or actual damages and such other orders as it
2 thinks fit to redress injury to the person caused by such conduct.”

3 Sec. 2. *Repealing Clause.* – All laws, decrees, orders, rules and regulations or
4 other issuances or parts thereof inconsistent with the provisions of this Act are
5 hereby repealed or modified accordingly.

6 Sec. 3. *Separability Clause.* – If any portion or provision of this Act is declared
7 unconstitutional, the remainder of this Act or any provision not affected thereby shall
8 remain in force and effect.

9 Sec. 4. *Effectivity.* – This Act shall take effect after fifteen (15) days following
10 the completion of its publication either in the Official Gazette or in a newspaper of
11 general circulation in the Philippines.

12

13 Approved,