

Republic of the Philippines
Congress of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City

Thirteenth Congress



House Bill No. 3561

INTRODUCED BY HONORABLE CLAUDE P. BAUTISTA

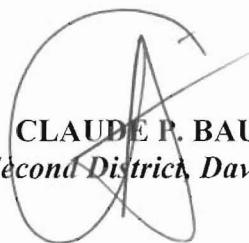
EXPLANATORY NOTE

It has been observed that most violations of Batas Pambansa Bilang 22 (Bouncing Check Law) cannot be effectively prosecuted because of the failure of the prosecution to prove receipt by the drawer of a notice of dishonor. This happens because usually the payee or holder of the bounced check has no means of knowing the exact address of the drawer.

Since the bank maintains the mailing address and other personal circumstances of the drawer and it is also the bank that dishonors the check, it is in a better position to immediately notify its client of the dishonor of the check. For this purpose, the drawee bank, when refusing to pay the check to the holder thereof upon presentment, shall not only cause to be written, printed or stamped in plain language thereon, or attached thereto, the reason of its dishonor or refusal to pay the same as presently required under Section 3 of the Batas Pambansa Bilang 22 but it shall also be required under this Bill to send another written notice to the drawer at the address registered with said bank the fact of said dishonor or refusal to pay.

Also, for purposes of this proposed measure, receipt of the bank's notice by a person of sufficient age and discretion at the address registered with the bank shall be considered receipt by the drawer of the check. Proof of receipt of such notice shall be furnished the payee or holder of the check upon the latter's request.

Approval of this measure is earnestly sought.


CLAUDE P. BAUTISTA
Second District, Davao del Sur

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AN ACT REQUIRING DRAWEE BANKS TO NOTIFY THEIR CLIENTS OF THE
DISHONOR OF CHECKS DRAWN BY THE LATTER

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

SECTION 1. Section 3 of Batas Pambansa Bilang 22 is hereby amended to read
as follows:

“SEC. 3. *DutIES of drawee; rules of evidence.* – It shall be the duty of the drawee of any check, when refusing to pay the same to the holder thereof upon presentment, to cause to be written, printed or stamped in plain language thereon, or attached thereto, the reason of the drawee’s dishonor or refusal to pay the same: *Provided*, That where there is no sufficient funds in or credit with such drawee bank, such fact shall always be explicitly stated in the notice of dishonor or refusal AND ANOTHER WRITTEN NOTICE SHALL BE SENT BY THE BANK TO THE DRAWER AT THE ADDRESS REGISTERED WITH SAID BANK. In all prosecutions under this Act, the introduction in evidence of any unpaid or dishonored check, having the drawee’s refusal to pay

stamped or written thereon, or attached thereto, with the reason therefor as aforesaid, AND PROOF OF SERVICE OF ANOTHER WRITTEN NOTICE OF DISHONOR MADE BY THE BANK TO THE DRAWEE shall be *prima facie* evidence of the making or issuance of said check, and the due presentment to the drawee for payment and the dishonor thereof, and that the same was properly dishonored for the reason written, stamped or attached by the drawee on such dishonored check.

“FOR PURPOSES OF THIS ACT, RECEIPT BY A PERSON OF SUFFICIENT AGE AND DISCRETION AT THE ADDRESS REGISTERED WITH THE BANK SHALL BE CONSIDERED RECEIPT BY THE DRAWER OF THE CHECK. PROOF OF RECEIPT OF SUCH NOTICE SHALL BE FURNISHED THE PAYEE OR HOLDER OF THE CHECK UPON THE LATTER’S REQUEST.

“Notwithstanding receipt of an order to stop payment, the drawee shall state in the notice that there were no sufficient funds in or credit with such bank for the payment in full of such check, if such be the fact.

“VIOLATION OF THIS SECTION SHALL SUBJECT THE BANK PERSONNEL INVOLVED TO A FINE OF NOT LESS THAN FIVE THOUSAND PESOS (P5,000.00) BUT NOT MORE THAN TEN THOUSAND PESOS (P10,000.00): *PROVIDED*, THAT IN CASE OF SUBSEQUENT VIOLATION BY THE SAME PERSON, THE LATTER AND SUBSEQUENT ACTS SHALL BE PENALIZED WITH NOT LESS THAN SIX (6) MONTHS BUT NOT MORE THAN ONE (1) YEAR IMPRISONMENT, IN ADDITION TO THE FINE HEREIN PROVIDED.”

SEC. 2. This Act shall take effect six (6) months after its publication in the Official Gazette or in two (2) newspapers of general circulation in the Philippines, whichever comes first.

Approved,