



Republic of the Philippines  
**HOUSE OF REPRESENTATIVES**  
Quezon City, Metro Manila

Fifteenth Congress  
First Regular Session

HOUSE BILL NO. 3954

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**Introduced by Honorable Karlo Alexei B. Nograles**

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**EXPLANATORY NOTE**

This bill seeks to repeal Batas Pambansa (BP) Bilang 22, otherwise known as the "*Bouncing Checks Law*."

Under BP 22 which was enacted in 1979, any person who makes or draws and issues a check knowing that his or her bank account does not have sufficient funds shall be penalized with imprisonment of 30 days to one year or a fine of not less than but not more than double the amount of the check which fine shall in no case exceed Two hundred thousand pesos (P200,000.00), or both such fine and imprisonment at the discretion of the court. The same penalty is also imposed upon any person who, having sufficient funds in or credit with the drawee bank when he makes or draws and issues a check, fails to keep sufficient funds or to maintain a credit to cover the full amount of the check if presented within a period of ninety (90) days from the date appearing thereon, for which reason it is dishonored by the drawee bank.

Oftentimes, creditors who lend money require the issuance of postdated checks in payment of existing financial obligations, which at the time the checks are issued, the debtor has no malice or intent to defraud the creditor but is merely complying with the demand of the creditor even with the very high interest otherwise he cannot borrow money from said creditor.

Criminal prosecutions for violation of BP 22 involve basically postdated checks issued precisely as evidence of indebtedness, secured collaterally by the personal liberty of the debtor who is the drawer of the check.

Even the Supreme Court has "*tamed*" its penalty for the violation of BP 22, giving preference to fine instead of imprisonment. In its decision in *Eduardo Vaca vs. Court of Appeals* (G.R. No. 131714, 16 November 1998, 298 SCRA 656, 664), the Supreme Court per Justice V. Mendoza, modified the sentence imposed for violation of BP 22 by deleting the penalty of imprisonment and imposing only the penalty of fine in an amount double the amount of the check. Also in a recent case of *Rosa Lim vs. People of the Philippines* (G.R. No. 130038, 18 September 2000), the Supreme Court en banc, applying the Vaca case, also deleted the penalty of imprisonment and sentenced the drawer of the bounced check to the maximum of fine allowed by BP 22 and concluded that such would best serve the ends of criminal justice.

In such cases, it is no longer necessary to continue the application of BP 22 when it concerns checks. Hence its repeal.

Indeed, the repeal of BP 22 will not render the creditor unprotected from unscrupulous debtors because he can still go after the debtor by prosecuting him for *estafa* or other forms of swindling as defined in Article 315 and 316 of the Revised Penal Code or a civil action for collection of the sum of money owed the creditor.

In view of the foregoing, approval of this bill is highly and earnestly recommended.



**KARLO ALEXEI B. NOGRALES**



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**AN ACT**  
**REPEALING BATAS PAMBANSA BILANG 22, OTHERWISE KNOWN AS**  
**THE "BOUNCING CHECKS LAW"**

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

SECTION 1. Batas Pambansa (BP) Bilang 22, entitled "*An Act Penalizing The Making Or Drawing And Issuance Of A Check Without Sufficient Funds Or Credit And For Other Purposes,*" is hereby repealed.

SEC. 2. Upon the effectivity of this Act, all criminal cases pending in court for violation of BP 22 shall be deemed dismissed by operation of law, without prejudice to the accompanying civil action, and the prosecution to any liability for violation of any provision of the Revised Penal Code.

SEC. 3. All other laws or parts thereof contrary to or inconsistent with the provisions of this Act are hereby repealed or amended accordingly.

SEC. 4. This Act shall take effect fifteen (15) days after its publication in the Official Gazette or in at least two (2) national newspapers of general circulation.

Approved,