

Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City

SIXTEENTH CONGRESS
Third Regular Session

House Bill No. 201



Introduced by Representative Arthur C. Yap

EXPLANATORY NOTE

Republic Act No. 7581, otherwise known as the 'Price Act', declares the State's policy of ensuring the availability of basic necessities and prime commodities at reasonable prices at all times while equally guaranteeing legitimate business a fair return on investment. The law also mandates the State to provide effective and sufficient protection to consumers against hoarding and profiteering in the sale and marketing of said goods especially during periods of calamities and emergencies.

The Price Act, especially with the enumeration of what are basic necessities, however, has not included "new" goods, that by virtue of their mass and necessary usage, should already be deemed as basic necessities. These include potable bottled water, kerosene, LPG and noodles (which is just a prime commodity under the said law). More important, by enumerating what are basic necessities and prime commodities, there is no flexibility, such that once a good or commodity has risen to become such, (as in the case of noodles and potable bottled water), there is no immediate recognition.

This bill seeks to expand the basic definitions of basic necessities and prime commodities through the inclusion of other goods deemed to be necessities under certain situations identified in the law. It also provides the mechanism for greater flexibility in their respective coverage through administrative fiat without need of legislative enactment. With these amendments, it is submitted that the policies declared in RA 7581 will be further realized.

For the foregoing reasons, the immediate passage of the proposed measure is earnestly sought.


ARTHUR C. YAP
Representative

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House Bill No. ____ 201

Introduced by
REPRESENTATIVE ARTHUR C. YAP

AN ACT
PROVIDING PROTECTION TO CONSUMERS BY EXPANDING
THE DEFINITION OF BASIC NECESSITIES AND PRIME
COMMODITIES, 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 House of Representatives of the Philippines in Congress assembled:

1 **SECTION 1. *Short Title.*** - This Act shall be known as the 'Expanded Basic
2 Necessities and Prime Commodities Act of 2013'.

3 **SECTION 2. *Declaration of Policy.*** - It is the policy of the State to protect and
4 promote welfare of the consumers by defining and enumerating what are basic necessities
5 and prime commodities, ensuring their availability and price reasonability at all times,
6 especially during periods of calamities and emergencies.

7 **SECTION 3. *Newly Defined Basic and Prime Commodities.*** - Section 3 (1) of
8 Republic Act No. 7581, otherwise known as the 'Price Act', is hereby amended to read as
9 follows:

10 "SECTION 3. *Definition of Terms* – For purposes of this Act, the
11 term:

12 (1) 'Basic necessities' include rice; corn; bread; fresh, dried and canned
13 fish and other marine products; fresh pork, beef and poultry meal;
14 fresh eggs; fresh and processed milk; fresh vegetables; root crops;
15 **POTABLE WATER IN CONTAINERS;** coffee; sugar;

1 **NOODLES;** cooking oil; laundry soap; detergents; firewood;
2 charcoal; candles; **KEROSENE AND LIQUEFIED PETROLEUM**
3 **GAS,** and drugs classified as essential by the Department of Health
4 **AND SUCH OTHER GOODS AS MAY BE INCLUDED UNDER**
5 **SECTION 4 OF THIS ACT.”**

6 **xxx**

7 (8) ‘Prime commodities’ include **[fresh fruits;]** flour; dried, processed
8 **[and] OR** canned pork; beef and poultry meat; dairy products not
9 falling under basic necessities; **[noodles];** onions; garlic; vinegar;
10 patis; soy sauce; toilet soap; fertilizer; pesticides; herbicides; poultry;
11 swine and cattle feeds; veterinary products for poultry, swine and
12 cattle; paper; school supplies; nipa shingles; sawali; cement; clinker;
13 GI sheets; hollow blocks; plywood; plyboard; construction nails;
14 batteries; electrical supplies; light bulbs; steel wire; **[and]** all drugs
15 not classified as essential drugs by the Department of Health , **AND**
16 **SUCH OTHER GOODS AS MAY BE INCLUDED UNDER**
17 **SECTION 4 OF THIS ACT.**

18 **SECTION 4.** Section 4 of Republic Act No. 7581 is hereby amended to read as
19 follows:

20 “**SECTION 4. *INCLUSION OR Exclusion from the Coverage of***
21 *this Act* - Upon petition of the concerned parties **OR BY MOTU**
22 **PROPIO ACTION OF THE CONCERNED AGENCY OF THE**
23 **PRICE COORDINATING COUNCIL** and after public hearing, the
24 implementing agency, with the approval of the President, **MAY**
25 **INCLUDE IN THE DEFINITION OF BASIC NECESSITIES OR OF**
26 **PRIME COMMODITIES TYPES AND BRANDS OF GOODS OR**
27 may exclude from the coverage of this Act, types or brands of the goods
28 included in the definition of basic necessities and prime commodities,
29 which may be deemed as non-essential goods or luxury goods: Provided,

1 that, any type or brand so excluded may be reinstated by the implementing
2 agency during occasions of acute shortage in the supply of the basic
3 necessity or prime commodity to which the excluded type or brand used to
4 belong **OR IN TIMES OF AN OF THE CASES PROVIDED IN**
5 **SECTIONS 6 OR 7 OF THIS ACT.”**

6 **SECTION 5. *Implementing Rules and Regulations*** - The Department of Trade
7 and Industry, in consultation with the members of the Price Coordinating Council and
8 stakeholders, shall promulgate the rules and regulations necessary for the effective
9 implementation of this Act within ninety (90) days from its effectivity.

10 **SECTION 6. *Separability Clause***. - If any provision of this Act, or any part
11 thereof, is declared unconstitutional, the same shall not affect the validity and effectivity
12 of the other portions.

13 **SECTION 7. *Repealing Clause***. - All laws, executive orders, presidential
14 decrees, proclamations, rules, regulations, issuances and enactments of parts thereof
15 inconsistent with this Act are hereby repealed or modified accordingly.

16 **SECTION 8. *Effectivity***. - This Act shall take effect fifteen (15) days from its
17 complete publication in the Official Gazette or in a newspaper of general circulation in
18 the Philippines, whichever comes earlier.

19 **Approved.**