

Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City

SIXTEENTH CONGRESS

First Regular Session

HOUSE BILL NO. **4413**



Introduced by **HONORABLE ZAJID G. MANGUDADATU**

EXPLANATORY NOTE

Prices of fuels are extremely high in the Philippines nowadays. Businessmen and professionals, who rely on the fast movement of products and goods, face a hindrance in the continuously rising fuel prices. Ordinary Filipinos who commute are also affected because of the escalating fares in public utility vehicles.

This problem of high fuel prices is doubled by the devious acts of filling stations that have fuel pumps, which are not properly calibrated. Retail fuel consumers do not get the proper value of the money they paid for fuel if the pumps serving them are not properly calibrated. A fuel pump that is not properly calibrated will always dispense a volume of fuel not proportionate to what a consumer paid for. It is the duty of the state that this will not happen. The Philippines should have a dynamic trade environment that is just and fair to both business and consumers.

This representation believes that a strict law that will ensure that all filling stations in the country will have fuel pumps which are calibrated regularly is needed. Regular fuel pump calibration will ensure that the consumers will get what they paid for; this could be done by setting high standards and severe penalties, if the set standards are not complied. The Local Government Units, in coordination with the Department of Energy, should be empowered to closely monitor the filling stations in their respective jurisdictions.

The proposed bill herein provides for penalties that will make sure that filling station operators and owners will no longer resort to defrauding the consuming public with unfair machinations. The proposed law also contains provisions penalizing government officials, who connive with owners or operators of filling stations, in allowing the operation of fuel pumps that are not properly calibrated.

Approval of the bill is earnestly sought.

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HOUSE BILL NO. 4413

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**"AN ACT PRESCRIBING THE REGULAR CALIBRATION
OF FUEL PUMPS IN ALL FILLING STATIONS
AND IMPOSING PENALTIES FOR THE VIOLATION
THEREOF AND FOR OTHER PURPOSES"**

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

Section 1. Short Title. This act shall be known as the *"Fuel Pumps Calibration Act"*.

Section 2. Declaration of Policy. The State shall ensure that consumers will aptly be protected from fraudulent schemes of unscrupulous businessmen who resort to unfair practices just to earn profit. The State shall encourage a dynamic trade environment that is just and fair to both consumers and businessmen.

Section 3. Definition of Terms. The following terms, as used in this Act, shall mean:

a) **"Filling Station"** refers to a service station that sells fuel and other fuel products. It shall also refer to gas stations, petrol stations, LPG stations and other similar service stations.

b) **"Fuel Pump"** refers to a machine at a filling station that is used to pump or dispense gasoline, diesel, CNG, CGH₂, HCNG, LPG, LH₂, ethanol fuel, biofuels, biodiesel, kerosene, or other types of fuels in vehicles.

c) **"Calibration"** refers to the act of checking or adjusting, by comparison with a standard, the accuracy of fuel pumps in filling stations.

d) **"DOE"** – refers to the Department of Energy.

e) **"DILG"** – refers to the Department of Interior and Local Government.

f) **"OP"** – Office of the President.

g) "LGU" – Local Government Unit.

Section 4. Regular Calibration. All fuel pumps in all filling stations in the Philippines shall be inspected and calibrated twice a month. The calibration shall be conducted and monitored by the respective LGUs where the filling station is located. It shall be unlawful for any owner or operator to run filling stations with an inaccurate or not properly calibrated fuel pump.

Section 5. Inspection and Calibration Tag. After a fuel pump is inspected and calibrated, the inspector shall place a non-removable tag or seal on the calibration knob or points. When the next inspection or calibration date comes, the tag shall be removed and replaced after the inspection or calibration has been made. The inspection or calibration tag shall not be removed or tampered with by any person. Only the officer of the LGU tasked with the inspection or calibration of the fuel pumps shall have the authority to remove the tag.

Section 6. DOE and DILG Coordination. The DOE shall coordinate with the DILG in training officers of each LGU for the inspection and calibration of fuel pumps in all filling stations in the Philippines.

Section 7. Penalties.

A. Without prejudice to criminal prosecution for violation of the Revised Penal Code, whenever applicable, any operator or owner, operating filling stations with an inaccurate or not properly calibrated pumps, shall be penalized as follows:

1) First Offense – Fine of One Hundred Fifty Thousand Pesos (P 150,000.00).

2) Second Offense – Fine of Five Hundred Thousand Pesos (P 500,000.00) and Suspension of Business Permit to operate for three (3) months;

3) Third Offense – Fine of One Million Pesos (P 1,000,000.00), Closure of Business and Imprisonment of One (1) year.

B. Without prejudice to criminal prosecution for violation of the Revised Penal Code, whenever applicable, any person, who removes or tampers an inspection or calibration tag without any authority shall be penalized with imprisonment of one (1) year and a fine of Five Hundred Thousand Pesos (P 500,000.00)

C. Without prejudice to criminal prosecution for violation of the Revised Penal Code, whenever applicable, any officer of an LGU, the DOE, the DILG, who connives with any person in allowing a filling station to operate with an inaccurate or not properly calibrated fuel pump, shall be penalized with imprisonment of One (1) year, perpetual disqualification from holding a public office and a fine of Five Hundred Thousand Pesos (P 500,000.00).

Section 8. Jurisdiction. All cases arising from or related to any violation of this Act shall be brought before the proper Municipal Trial Court or Circuit Court, which shall dispense the case swiftly.

Section 9. *Implementing Rules and Regulations.* The Department of Energy, Department of Interior and Local Government and the Office of the President shall issue the necessary implementing rules and regulations within sixty (60) days after the effectivity of this Act.

Section 10. *Repealing Clause.* All laws, presidential decrees, executive orders, and rules and regulations, or parts thereof, inconsistent with the provisions of this Act are hereby repealed or modified accordingly.

Section 11. *Separability Clause.* If for any reason, any section or provision of this Act is held unconstitutional or invalid, the other sections or provisions hereof shall not be affected hereby.

Section 12. *Effectivity Clause.* This Act shall take effect after its complete publication in at least two (2) national newspapers of general circulation.

APPROVED,