

Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City

SEVENTEENTH CONGRESS
First Regular Session



HOUSE BILL NO. **4476**

Introduced by REP. Michael L. Romero

EXPLANATORY NOTE

In pursuant to **RA No.7394**, otherwise known as the "Consumer Act of the Philippines" It shall be the duty of the State:

- a) to develop and provide safety and quality standards for consumer products, including performance or use-oriented standards, codes of practice and methods of tests;
- b) to assist the consumer in evaluating the quality, including safety, performance and comparative utility of consumer products;
- c) to protect the public against unreasonable risks of injury associated with consumer products;
- d) to undertake research on quality improvement of products and investigation into causes and prevention of product related deaths, illness and injuries;
- e) to assure the public of the consistency of standardized products.

It shall be unlawful for any person to:

- a) manufacture for sale, offer for sale, distribute in commerce, or import into the Philippines any consumer product which is not in conformity with an applicable consumer product quality or safety standard promulgated in this Act;
- b) manufacture for sale, offer for sale, distribute in commerce, or import into the Philippines any consumer product which has been declared as banned consumer product by a rule in this Act;
- c) refuse access to or copying of pertinent records or fail or refuse to permit entry of or inspection by authorized officers or employees of the department;
- d) fail to comply with an order issued under Article 11 relating to notifications of substantial product hazards and to recall, repair, replacement or refund of unsafe products;
- e) fail to comply with the rule prohibiting stockpiling.

This House Bill seeks to protect the interests of the consumer, promote his general welfare and to establish standards of conduct for business and industry. Towards this end, the State shall implement measures to achieve these noble objectives.

Thus, the early passage of this bill is earnestly requested.



MICHAEL L. ROMERO Ph.D

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AN ACT
AMENDING ARTICLE 19 AND ARTICLE 39 OF RA NO.7394
OTHERWISE KNOWN AS THE "CONSUMER ACT OF THE PHILIPPINES",
INCREASING ITS PENALTIES, AND FOR OTHER PURPOSES

Be it enacted by the Senate and House of Representative of the Philippines in congress assembled:

SECTION 1. Declaration of Policy

Article 19, of Republic Act No. 7394 is hereby amended to read:

ARTICLE 19. Penalties. —

a) Any person who shall violate any provision of Article 18 shall upon conviction, be subject to a fine of not less than Ten thousand pesos **(P10,000.00)** but not more than Twenty Five thousand pesos **(P25,000.00)** or imprisonment of not less than Four **(4) months** but not more than One **(1) year**, or both upon the discretion of the court. If the offender is an

alien, he shall be deported after service of sentence and payment of fine without further deportation proceedings.

b) In case the offender is a naturalized citizen, he shall, in addition to the penalty prescribed herein, suffer the penalty of cancellation of his naturalization certificate and its registration in the civil register and immediate deportation after service of sentence and payment of fine.

c) Any director, officer or agent of a corporation who shall authorize, order or perform any of the acts or practices constituting in whole or in part a violation of **Article 18 of RA No.7394**, and who has knowledge or notice of noncompliance received by the corporation from the concerned department, shall be subject to penalties to which that corporation may be subject.

In case the violation is committed by, or in the interest of a foreign juridical person duly licensed to engage in business in the Philippines, such license to engage in business in the Philippines shall immediately be revoked.

SECTION 2. Declaration of Policy

Article 39, of Republic Act No. 7394 is hereby amended to read:

ARTICLE 39. Administrative Sanctions. —

In addition to the administrative sanctions provided for under Letter of Instructions No. 1223, the Department is hereby authorized to impose, after notice and hearing, administrative fines of not less than Five thousand pesos (**P5,000.00**) but not more than Fifteen thousand pesos (**P15,000.00**) for any violation of this Act.

SECTION 3. SEPARABILITY CLAUSE - If any provision or section of this Act or the application thereof to any person or circumstances is held invalid, the other provisions or sections of this Act shall remain valid, and the application of such remaining provisions or sections to the other persons or circumstances, shall not be affected thereby.

SECTION 4. Repealing Clause. All laws, executive orders, issuances, rules and regulations inconsistent with this Act are hereby amended, repealed or modified accordingly.

SECTION 5. EFFECTIVITY CLAUSE - This Act shall take effect fifteen (15) days from the date of its publication in the Official Gazette or in at least two (2) newspapers of general circulation.

Approved.