

Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City

Seventeenth Congress
First Regular Session

HOUSE OF REPRESENTATIVES
H.B. No. 5935



Introduced by Representative H. Harry L. Roque Jr.

EXPLANATORY NOTE

Every technological breakthrough changes the procedure in transacting business. The payment of bills, whether it be for utilities, groceries, gasoline, medicine, or any other item, can now be made through a credit card, automated teller machine card, or by telephone.

The use of electronic systems to transfer funds has provided substantial benefits to consumers. However, due to the characteristics of such systems, the application of existing consumer protection legislation is unclear. The rights and liabilities of consumers, financial institutions, and intermediaries in electronic fund transfers are undefined.

This bill seeks to establish the rights, liabilities, and responsibilities of participants in electronic fund transfer systems.*

A handwritten signature in black ink, appearing to read 'HARRY L. ROQUE JR.'.

H. HARRY L. ROQUE JR.

* This bill was originally filed by Senator Miriam Defensor Santiago during the Sixteenth Congress, First Regular session.

Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City

Seventeenth Congress
First Regular Session

HOUSE OF REPRESENTATIVES
H.B. No. **5935**

Introduced by Representative H. Harry L. Roque Jr.

1 AN ACT
2 DEFINING THE RIGHTS AND LIABILITIES OF PARTIES IN
3 ELECTRONIC FUND TRANSFERS

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

4 SECTION 1. *Short Title.* - This Act shall be known as the "Electronic Fund Transfer
5 Act."

6 SECTION 2. *Declaration of Policy.* - It is the policy of the State to promote commercial
7 transactions. Toward this end, the State shall enact measures to protect the rights and define the
8 liabilities of parties in commercial transactions.

9 SECTION 3. *Definitions.* - As used in this Act, the term—

10 (A) "Accepted card or other means of access" means a card code or other means of
11 access to a consumer's account for the purpose of initiating electronic fund transfers when the
12 person, to whom such card or other means of access was issued, has requested and received, or

1 has signed or has used, or authorized another to use, such card or other means of access for the
2 purpose of transferring money between accounts or obtaining money, property, labor, or
3 services;

4 (B) "Account" means a demand deposit, savings deposit, or other asset account (other
5 than an occasional or incidental credit balance in an open end credit plan), as described in
6 regulations of the Board, established primarily for personal, family, or household purposes, but
7 such term does not include an account held by a financial institution pursuant to a bona fide trust
8 agreement;

9 (C) "Board" means the Board of Governors of the *Bangko Sentral ng Pilipinas*;

10 (D) "Business day" means any day on which the offices of the consumer's financial
11 institution involved in an electronic fund transfer are open to the public for carrying on
12 substantially all of its business functions;

13 (E) "Consumer" means a natural person;

14 (F) "Electronic fund transfer" means any transfer of funds, other than a transaction
15 originated by check, draft, or similar paper instrument, which is initiated through an electronic
16 terminal, telephonic instrument, or computer or magnetic tape so as to order, instruct or authorize
17 a financial institution to debit or credit an account. Such term includes direct deposits or
18 withdrawals of funds, and transfers initiated by telephone.

19 Such term does not include-

20 (1) any check guarantee or authorization service which does not directly result
21 in a debit or credit to a consumer's account;

22 (2) any transfer of funds, other than those processed by automated
23 clearinghouses, made by a financial institution on behalf of a consumer by

1 means of a service that transfers funds held at either banks or other
2 depository institutions and which is not designed primarily to transfer
3 funds on behalf of a consumer;

4 (3) any transaction the primary purpose of which is the purchase or sale of
5 securities or commodities through a broker-dealer registered with or
6 regulated by the Securities and Exchange Commission;

7 (4) any automatic transfer from a savings account to a demand deposit
8 account pursuant to an agreement between a consumer and a financial
9 institution for the purpose of covering an overdraft or maintaining an
10 agreed upon minimum balance in the consumer's demand deposit account;
11 or

12 (5) any transfer of funds which is initiated by a telephone conversation
13 between a consumer and an officer or employee of a financial institution
14 which is not pursuant to a pre-arranged plan and under which periodic or
15 recurring transfers are not contemplated;

16 (G) "Electronic terminal" means an electronic device, other than a telephone operated
17 by a consumer, through which a consumer may initiate an electronic fund transfer. Such term
18 includes, but is not limited to, point-of-sale terminals, automated teller machines, and cash
19 dispensing machines;

20 (H) "Financial institution" means a bank, a savings and loan association, a mutual
21 savings bank, a credit union, or any other person who, directly or indirectly, holds an account
22 belonging to a consumer;

1 (I) "Pre-authorized electronic fund transfer" means an electronic fund transfer
2 authorized in advance to recur at substantially regular intervals;

3 (J) "Unauthorized electronic fund transfer" means an electronic fund transfer from a
4 consumer's account initiated by a person other than the consumer without actual authority to
5 initiate such transfer and from which the consumer receives no benefit, but the term does not
6 include any electronic fund transfer—

7 (1) initiated by a person other than the consumer who was furnished with the
8 card, code, or other means of access to such consumer's account by such
9 consumer, unless the consumer has notified the financial institution
10 involved that transfers by such other person are no longer authorized;

11 (2) initiated with fraudulent intent by the consumer or any person acting in
12 conceit with the consumer; or

13 (3) which constitutes an error committed by a financial institution.

14 SECTION 4. *Regulations.* -

15 (A) The Board shall prescribe regulations to carry out the purposes of this Act. In
16 prescribing such regulations, the Board shall:

17 (1) consult with the other affected agencies and take into account and allow
18 for, the continuing evolution of electronic banking services and the
19 technology utilized in such services.

20 (2) prepare an analysis of economic impact which considers the costs and
21 benefits to financial institutions, consumers, and other users of electronic
22 fund transfers, including the extent to which additional documentation,

1 reports, records, or other paper work would be required, and the effects
2 upon competition in the provision of electronic banking services among
3 large and small financial institutions and the availability of such services
4 to different classes of consumers, particularly low income consumers,

5 (3) to the extent practicable, the Board shall demonstrate that the consumer
6 protections of the proposed regulations outweigh the compliance costs
7 imposed upon consumers and financial institutions; and

8 (a) Any proposed regulations and accompanying analyses shall be sent
9 promptly to Congress by the Board.

10 (b) The Board shall issue model clauses for optional use by financial
11 institutions to facilitate compliance with the disclosure
12 requirements of the following section and to aid consumers in
13 understanding the rights and responsibilities of participants in
14 electronic fund transfers by utilizing readily understandable
15 language. With respect to the disclosures required by Section 5, the
16 Board shall take account of variations in the services and charges
17 under different electronic fund transfer systems and, as
18 appropriate, shall issue alternative model clauses for disclosure of
19 these differing account terms.

20 (c) Regulations prescribed hereunder may contain such classifications,
21 differentiations, or other provisions, and may provide for such
22 adjustments and exceptions for any class of electronic fund
23 transfers, as, in the judgment of the Board, are necessary or proper

1 to effectuate the purposes of this Act, to prevent circumvention or
2 evasion thereof, or to facilitate compliance therewith. This Board
3 shall by regulation modify the requirements imposed by this Act
4 on small financial institutions if the Board determines that such
5 modifications are necessary to alleviate any undue compliance
6 burden on small financial institutions and such modifications are
7 consistent with the purpose and objective of this subchapter.

8 (d) In the event that electronic fund transfer services are made
9 available to consumers by a person other than a financial
10 institution holding a consumer's account, the Board shall by
11 regulation assure that the disclosures, protections, responsibilities,
12 and remedies created by this Act are made applicable to such
13 persons and services.

14
15 SECTION 5. *Terms and Conditions of Transfers.* -

16 (A) The terms and conditions of electronic fund transfers involving a consumer's
17 account shall be disclosed at the time the consumer contracts for an electronic fund transfer
18 service, in accordance with regulations of the Board. Such disclosures shall be in readily
19 understandable language and shall include, to the extent applicable -

20 (1) the consumer's liability for unauthorized electronic fund transfers and, at
21 the financial institution's option, notice of the advisability of prompt
22 reporting of any loss, theft, or unauthorized use of a card, code, or other
23 means of access;

- (2) the telephone number and address of the person or office to be notified in the event the consumer believes that an unauthorized electronic fund transfer has been or may be effected;
- (3) the type and nature of electronic fund transfers which the consumer may initiate, including any limitations on the frequency or dollar amount of such transfers, except that the details of such limitations need not be disclosed if their confidentiality is necessary to maintain the security of an electronic fund transfer system, as determined by the Board;
- (4) any charges for electronic fund transfers or for the right to make such transfers;
- (5) the consumer's right to stop payment of a preauthorized electronic fund transfer and the procedure to initiate such a stop payment order;
- (6) the consumer's right to receive documentation of electronic fund transfers under Section 6;
- (7) a summary, in a form prescribed by regulations of the Board, of the error resolution provisions of section 8 and the consumer's rights thereunder. The financial institution shall thereafter transmit such summary at least once per calendar year;
- (8) the financial institution's liability to the consumer under Section 10; and
- (9) under what circumstances the financial institution will, in the ordinary course of business, disclose information concerning the consumer's account to third person.

(B) A financial institution shall notify a consumer in writing at least twenty-one (21) days prior to the effective date of any change in any term or condition of the consumer's account required to be disclosed under subsection (1) of this section if such change would result in greater cost or liability for such consumer or decreased access to the consumer's account. A financial institution may, however, implement a change in the terms or conditions of an account without prior notice when such change is immediately necessary to maintain or restore the security of an electronic fund transfer system or a consumer's account. Subject to subsection (A) (3) of this section, the Board shall require subsequent notification if such a change is made permanent.

(C) For any account of a consumer made accessible to electronic fund transfers prior to the effective date of this Act, the information required to be disclosed to the consumer under subsection (A) of this section shall be disclosed not later than the earlier of -

- (1) the first periodic statement required by section 6 after the effective date of this Act; or
- (2) thirty (30) days after the effective date of this Act.

SECTION 6. *Documentation of Transfers.* -

(A) For each electronic fund transfer initiated by a consumer from an electronic terminal, the financial institution holding such consumer's account shall, directly or indirectly, at the time the transfer is initiated, make available to the consumer written documentation of such transfer. The documentation shall clearly set forth to the extent applicable -

- (1) the amount involved and the date the transfer is initiated;
- (2) the type of transfer;

- (3) the identity of the consumer's account with the financial institution from which, or to which, funds are transferred;
- (4) the identity of any third party to whom or from whom the funds are transferred; and
- (5) the location or identification of the electronic terminal involved.

(B) For a consumer's account which is scheduled to be credited by a pre-authorized electronic fund transfer from the same payor at least once in each successive sixty-day period, except where the payor provides positive notice of the transfer to the consumer, the financial institution shall elect to provide promptly either positive notice to the consumer when the credit is made as scheduled, or negative notice to the consumer when the credit is not made as scheduled, in accordance with regulations of the Board. The means of notice elected shall be disclosed to the consumer in accordance with section 5 of this Act.

(C) A financial institution shall provide each consumer with a periodic statement for each account of such consumer that may be accessed by means of an electronic fund transfer. Except as provided in subsection (D) and (E) of this section, such statement shall be provided at least monthly for each monthly or shorter cycle in which an electronic fund transfer affecting the account has occurred, or every three (3) months, whichever is more frequent. The statement, which may include information regarding transactions other than electronic fund transfers, shall clearly set forth -

- (1) with regard to each electronic fund transfer during the period, the information described in subsection (A) of this Section, which may be provided on an accompanying document:

- (2) the amount of any fee or charge assessed by the financial institution during the period for electronic fund transfers or for account maintenance;
- (3) the balances in the consumer's account at the beginning of the period and at the close of the period; and
- (4) the address and telephone number to be used by the financial institution for the purpose of receiving any statement inquiry or notice of account error from the consumer. Such address and telephone number shall be preceded by the caption "Direct Inquiries to:" or other similar language indicating that the address and number are to be used for such inquiries or notices.

(D) In the case of a consumer's passbook account which may not be accessed by electronic fund transfers other than pre-authorized electronic fund transfers crediting the account, a financial institution may, in lieu of complying with the requirements of subsection (C) of this section, upon presentation of the passbook, provide the consumer in writing with the amount and date of each such transfer involving the account since the passbook was last presented.

(E) In the case of consumer's account, other than a passbook account, which may not be accessed by electronic fund transfers other than pre-authorized electronic fund transfers crediting the account, the financial institution may provide a periodic statement on a quarterly basis which otherwise complies with the requirements of subsection (C) of this Section.

(F) In any action involving a consumer, any documentation required by this section to be given to the consumer which indicates that an electronic fund transfer was made to another person shall be admissible as evidence of such transfer and shall constitute prima facie proof that such transfer was made.

1
2 SECTION 7. *Pre-authorized Transfers.* -

3 (A) A preauthorized electronic fund transfer from a consumer's account may be
4 authorized by the consumer only in writing, and a copy of such authorization shall be provided to
5 the consumer when made. A consumer may stop payment of pre-authorized electronic fund
6 transfer by notifying the financial institution orally or in writing at any time up to three (3)
7 business days preceding the scheduled date of such transfer. The financial institution may require
8 written confirmation to be provided to it within fourteen (14) days of an oral notification if, when
9 the oral notification is made, the consumer advised of such requirement and the address to which
10 such confirmation should be sent.

11 (B) In the case of pre-authorized transfers from a consumer's account to the same
12 person which may vary in amount, the financial institution or designated payee shall, prior to
13 each transfer provide reasonable advance notice to the consumer, in accordance with regulations
14 of the Board, of the amount to be transferred and the scheduled date of the transfer.

15
16 SECTION 8. *Error Resolution.* -

17 (A) If a financial institution, within sixty (60) days after having transmitted to a
18 consumer documentation pursuant to this Act, receives oral or written notice in which the
19 consumer

- 20 (1) sets forth or otherwise enables the financial institution to identify the name
21 and account number of the consumer;

1 (2) ndicates the consumer's belief that the documentation, or, in the case of
2 notification pursuant to Section 6, the consumer's account, contains an
3 error and the amount of such error; and

4 (3) sets forth the reasons for the consumer's belief (where applicable) that an
5 error has occurred, the financial institution shall investigate the alleged
6 error, determine whether an error has occurred, and report or mail the
7 results of such investigation and determination to the consumer within ten
8 (10) business days. The financial institution may require written
9 confirmation to be provided to it within ten (10) business days of an oral
10 notification of error if, when the oral notification is made, the consumer is
11 advised of such requirement and the address to which such confirmation
12 should be sent. A financial institution which requires written confirmation
13 in accordance with the previous sentence need not provisionally re-credit a
14 consumer's account in accordance with subsection (C) of this section, nor
15 shall the financial institution be liable under subsection (E) of this section
16 if the written confirmation is not received within the ten-day period
17 referred to in the previous sentence.

18 (B) If the financial institution determines that an error did occur, it shall promptly,
19 but in no event more than one (1) business day after such determination, correct the error, object
20 to Section 9, including the crediting of interest where applicable.

21 (C) If a financial institution receives notice of an error in the manner and within the
22 time period specified in subsection (A) of this Section, it may, in lieu of the requirements of
23 subsections (A) and (B) of this Section, within ten (10) business days after receiving such notice

1 provisionally re-credit the consumer's account for the amount alleged to be in error, subject to
2 Section 9, including interest where applicable, pending the conclusion of its investigation and its
3 determination of whether an error has occurred. Such investigation shall be concluded not later
4 than forty-five (45) days after receipt of notice of the error. During the pendency of the
5 investigation, the consumer shall have full use of the funds provisionally re-credited.

6 (D) If the financial institution determines after its investigation pursuant to 0
7 subsection (A) or (C) of this section that an error did not occur, it shall deliver or mail to the
8 consumer an explanation of its findings within three (3) business days after the conclusion of its
9 investigation, and upon the request of the consumer promptly deliver or mail to the consumer
10 reproductions of all documents which the financial institution relied on to conclude that such
11 error did not occur. The financial institution shall include notice of the right to request
12 reproductions with the explanation of its findings.

13 (E) If any action under this Act, the court finds that -

14 (1) the financial institution did not provisionally re-credit a consumer's
15 account within the ten-day period specified in subsection (C) of this
16 section, and the financial institution (a) did not make a good faith
17 investigation of the alleged error; or (b) did not have a reasonable basis for
18 believing that the consumer's account was not in error; or

19 (2) the financial institution knowingly and willfully concluded that the
20 consumer's account was not in error when such conclusion could not
21 reasonably have been drawn from the evidence available to the financial
22 institution at the time of its investigation, then the consumer shall be
23 entitled to treble damages.

1 (F) For the purpose of this section, an error consists of -

- 2 (1) an unauthorized electronic fund transfer;
- 3 (2) an incorrect electronic fund transfer from or to the consumer's account;
- 4 (3) the omission from a periodic statement of an electronic fund transfer
- 5 affecting the consumer's account which should have been included;
- 6 (4) a computational error by the financial institution;
- 7 (5) the consumer's receipt for an incorrect amount of money from an
- 8 electronic terminal;
- 9 (6) a consumer's request for additional information or clarification concerning
- 10 an electronic fund transfer or any documentation required by this Act; or
- 11 (7) any other error described in regulations of the Board.

12 SECTION 9. *Consumer Liability.*-

13 (A) A consumer shall be liable for any unauthorized electronic fund transfer involving
14 the account of such consumer only if the card or other means of access utilized for such transfer
15 was an accepted card or other means of access and if the issuer of such card, code, or other
16 means of access has provided a means whereby the user of such card, code, or other means of
17 access can be identified as the person authorized to use it, such as by signature, photograph or
18 fingerprint, or by electronic or mechanical confirmation. In lesser of-

- 19 (1) One Thousand Pesos (P1,000.00); or
- 20 (2) The amount of money or value of property or services obtained in such
- 21 unauthorized electronic fund transfer prior to the time the financial
- 22 institution is notified of or otherwise becomes aware of, circumstances

1 which lead to the reasonable belief that an unauthorized electronic fund
2 transfer involving the consumer's account has been or may be effected.
3 Notice under this paragraph is sufficient when such steps have been taken
4 as may be reasonably required in the ordinary course of business to
5 provide the financial institution with the pertinent information, whether or
6 not any particular officer, employee, or agent of the financial institution
7 does in fact receive such information. Notwithstanding the foregoing,
8 reimbursement need not be made to the consumer for losses the financial
9 institution establishes would not have occurred but for the failure of the
10 consumer to report within sixty (60) days of transmittal of the statement
11 (or in extenuating circumstances such as extended travel or
12 hospitalization, within a reasonable time under the circumstances) any
13 unauthorized electronic fund transfer or account error which appears on
14 the periodic statement provided to the occurred but for the failure of the
15 consumer to report any loss or theft of a card or other means of access
16 within two (2) business days after the consumer learns of the loss or theft
17 (or in extenuating circumstances such as extended travel or
18 hospitalization, within a longer period which is reasonable under the
19 circumstances), but the consumer's liability under this subsection in any
20 such case may not exceed a total of Ten Thousand Pesos (10,000.00) or
21 the amount of unauthorized electronic fund transfers which occur
22 following the close of two (2) business days (or such longer period) after

1 the consumer learns of the loss or theft but prior to notice to the financial
2 institution under this subsection, whichever is less.

3 (B) In any action which involves a consumer's liability for an unauthorized electronic
4 fund transfer, the burden of proof is upon the financial institution to show that the electronic fund
5 transfer was unauthorized, then the burden of proof is upon the financial institution to establish
6 that the conditions of liability set forth in subsection (B) of this Section have been met, and, if
7 the transfer was initiated after the effective date of this Act, that the disclosures required to be
8 made to the consumer under Section 5 were in fact made in accordance with such section.

9 (C) In the event of a transaction which involves both an unauthorized electronic fund
10 transfer and an extension of credit to an agreement between the consumer and the financial
11 institution to extend such credit to the consumer in the event the consumer's account is
12 overdrawn, the limitation on the consumer's liability for such transaction shall be determined
13 solely in accordance with this section.

14 (D) Nothing in this section imposes liability upon a consumer for an authorized
15 electronic fund transfer in excess of his liability for such a transfer under other applicable law or
16 under any agreement with the consumer's financial institution.

17 (E) Except as provided in this Section, a consumer incurs no liability from an
18 unauthorized electronic fund transfer.

19 SECTION 10. *Liability of Financial Institutions.* -

20 (A) Subject to subsections (B) and (C) of this Section, a financial institution shall
21 be liable to a consumer for all damages proximately caused by -

1 (1) the financial institution's failure to make an electronic fund transfer, in
2 accordance with the terms and conditions of an account, in the correct
3 amount or in a timely manner when properly instructed to do so by the
4 consumer, except where -

5 (a) the consumer's account has insufficient funds;

6 (b) the funds are subject to legal process or other encumbrance

7 (c) such transfer would exceed an established credit limit;

8 (d) an electronic terminal has insufficient cash to complete the
9 transaction; or

10 (e) as otherwise provided in regulations of the Board.

11 (2) the financial institution's failure to make an electronic fund transfer due to
12 insufficient funds when the financial institution failed to credit, in
13 accordance with the terms and conditions of an account, a deposit of funds
14 to the consumer's account which would have provided sufficient funds to
15 make the transfer.

16 (3) The financial institution's failure to stop payment of a pre-authorized
17 transfer from a consumer's account when instructed to do so in accordance
18 with the terms and conditions of the account.

19 (B) A financial institution shall not be liable under subsection (B) (1) or (2) of this
20 Section if the financial institution shows by a preponderance of the evidence that its action or
21 failure to act resulted from -

1 (1) an act of God or other circumstance beyond its control, that it exercised
2 reasonable care to prevent such a31 occurrence, and that it exercised such
3 diligence as the circumstances required; or

4 (2) a technical malfunction which was known to the consumer at the time he
5 attempted to initiate an electronic fund transfer or, in the case of a
6 preauthorized transfer, at the time such transfer should have occurred.

7 (C) In the case of a failure described in subsection (A) of this Section which was not
8 intentional and which resulted from a bona fide error, notwithstanding the maintenance of
9 procedures reasonably adopted to avoid any such error, the financial institution shall be liable for
10 actual damages proved.

11 SECTION 11. *Issuance of Cards or Other Means of Access.* -

12 (A) No person may issue to a consumer any card, code, or other means of access to
13 such consumer's account for the purpose of initiating an electronic fund transfer other than -

14 (1) in response to a request or application therefore; or

15 (2) as renewal of, or in substitution for, an accepted card, code, or other
16 means of access, whether issued by the initial insurer or a successor.

17 (B) Notwithstanding the provisions of subsection (1) of this section, a person may
18 distribute to a consumer on an unsolicited basis a card, code, or other means of access for use in
19 initiating an electronic fund transfer from such consumer's account, if -

20 (1) such card, code, or other means of access is not validated;

1 (2) such distribution is accompanied by a complete disclosure, in accordance
2 with Section 5, of the consumer's rights and liabilities which apply if such
3 card, code, or other means of access is validated;

4 (3) such distribution is accompanied by a clear explanation, in accordance
5 with regulations of the Board, that such card, code, or other means of
6 access is not validated and how the consumer may dispose of such code,
7 card, or other means of access if validation is not desired; and

8 (4) such card, code or other means of access is validated only in response to a
9 request or application from the consumer, upon verification of the
10 consumer's identity.

11 (C) For the purpose of subsection (B) of this Section, a card, code, or other means of
12 access is validated when it may be used to initiate an electronic fund transfer.

13 SECTION 12. *Suspension of Obligations.* - If a system malfunction prevents the
14 effectuation of an electronic fund transfer initiated by a consumer to another person, and such
15 other person has agreed to accept payment by such means, the consumer's obligation to the other
16 person shall be suspended until the malfunction is corrected and the electronic fund transfer may
17 be completed, unless such other person has subsequently, by written request, demanded payment
18 by means other than an electronic fund transfer.

19 SECTION 13. *Compulsory Use of Electronic Fund Transfers.* - No person may condition
20 the extension of credit to a consumer on such consumer's repayment by means of pre-authorized
21 electronic fund transfers; or require a consumer to establish an account for receipt of electronic

1 fund transfers with a particular financial institution as a condition of employment or receipt of a
2 government benefit.

3 SECTION 14. *Waiver of Rights.* - No writing or other agreement between a consumer
4 and any other person may contain any provision which constitutes a waiver of any right
5 conferred or cause of action created by this Act. Nothing in this section prohibits, however, any
6 writing or other agreement which grants to a consumer a more extensive right or remedy or
7 greater protection than contained in this subchapter or a waiver given in settlement of a dispute
8 or action.

9 SECTION 15. *Separability Clause.* - If any provision or part thereof is held invalid or
10 unconstitutional, the remainder of the law or the provision not otherwise affected shall remain
11 valid and subsisting accordingly.

12 SECTION 16. *Repealing Clause.* - Any law, presidential decree or issuance, executive
13 order, letter of instruction, administrative order, rule, or regulation contrary to or inconsistent
14 with the provisions of this Act is hereby repealed, modified, or amended accordingly.

15 SECTION 17. *Effectivity Clause.* - This Act shall take effect fifteen (15) days after its
16 publication in at least two (2) newspapers of general circulation.

Approved,