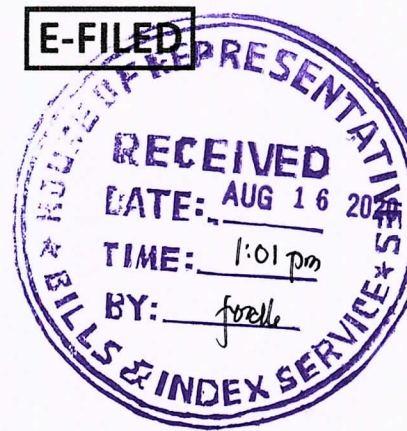


EIGHTEENTH CONGRESS)
OF THE REPUBLIC OF THE PHILIPPINES)
Second Regular Session)

HOUSE OF REPRESENTATIVES

House Bill No. 7399



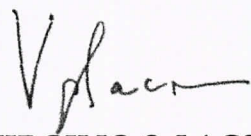
Introduced by Representative Virgilio S. Lacson

EXPLANATORY NOTE

1 It has been the call of the administration to address the exploitation by
2 informal or "five-six" lenders of the common folk through possession of
3 their documents used to claim government assistance and benefits, such as
4 their automated teller machine (ATM) cards and their corresponding pin
5 numbers. These informal lenders even go as far as emptying out the
6 borrower's bank accounts leaving the borrower at the mercy of the "five-
7 six" lenders.

8 The intent of the State in assisting its people, financially or otherwise, was
9 never to serve as collateral or as means to exact payment from them but for
10 particular and well thought of purposes ultimately uplifting the Filipino
11 people. Instead, loan sharks take advantage of their borrower's vulnerability
12 and take the assistance extended by the State.

13 Such activity is a contrary and even a mockery of the very spirit of the laws
14 which sought to protect and aid the Filipino people and must be ended.


VIRGILIO S. LACSON
Manila Teachers, Party List

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

EIGHTEENTH CONGRESS
Second Regular Session

HOUSE BILL NO. **7399**

Introduced by Representative VIRGILIO S. LACSON

AN ACT
PROHIBITING PERSONS CLAIMING GOVERNMENT BENEFITS OF
ANOTHER WITHOUT CAUSE AND AUTHORITY

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 "Government Benefits
2 Protection Act".

3 **Section 2. Declaration of Policy.** - It is hereby declared the policy of the State to
4 promote the protection of each citizens right to property and promotion general
5 welfare as an essential part of enjoyment of the blessings of democracy. TO this
6 end, the State shall develop policies and initiate means to discourage the
7 unauthorized claiming of another person's government benefits.

8 **Section 3. Coverage.** - This Act shall apply to all benefits provided by the State
9 intended to be delivered to its citizens, where such benefit particularly describes its
10 recipient.

11 **Section 4. Prohibited Acts.** - Any covered benefit under this act shall, at all times,
12 be for the account of the named beneficiary, and it shall be unlawful for any person
13 to:

- 14 (a) Claim any government benefits of another person without the latter's express
15 authority stating cause why he or she cannot claim the benefit himself or
16 herself; and
17 (b) Dispose, transfer, or otherwise cause possession of an instrument necessary for
18 the claim of a covered government benefit to a person not named as the
19 intended government beneficiary under such instrument;

20 **Section 5. Prima Facie Evidence.** - The possession or custody of any instrument
21 used to claim a covered government benefit of another person without supporting

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document shall be *prima facie* evidence that such instrument is being used in violation of section 4 hereof, and therefore such instrument may immediately be confiscated from the person in possession, control, or custody thereof.

Where there is a supporting document but does not provide lawful cause preventing the actual inability of the intended beneficiary to claim it himself, such document shall be *prima facie* evidence that such instrument is being used in violation of section 4 hereof, and therefore such instrument may immediately be confiscated from the person in possession, control, or custody thereof.

Section 5. Data Protection. – The apprehending officer, after filing the proper complaint, shall immediately cause the cancellation of the instrument, informing the covered government office of the cause. Any data necessary for the prosecution of the offense shall be preserved or retrieved as needed through subpoena. The covered government office shall ensure protection of data and integrity of the intended beneficiary's account, cancelling the reported instrument and all other necessary implements thereof, informing all its branches and the intended beneficiary of such cancellation.

The intended beneficiary, having only sufficiently explained that his dispossession was not contrary to this act, shall be re-issued the his or her documents necessary for claiming his or her benefits. Where the same cannot be issued within three (3) days, he or shall immediately be allowed to claim any unclaimed benefit, and such shall be reflected on his account without need for presentation of necessary documentation except for proper government identification.

Section 6. Penalties. – The penalty of imprisonment of not less six (6) months but not more than one (1) one year shall or a fine of not more than fifty thousand pesos (P50,000.00) but not more than one hundred thousand pesos (P100,000.00), or both at the discretion of the judge.

Section 7. Implementing Rules. – Within sixty (60) days from the effectivity of this Act, all concerned government agencies and relevant stakeholders shall issue the appropriate implementing rules and regulations of this Act.

Section 8. Separability Clause. – If any provision or part of this Act is declared invalid or unconstitutional, the remaining parts or provisions not affected shall remain in full force and effect.

Section 9. Repealing Clause. – All laws, decrees, orders, rules and regulations and other issuances or parts thereof which are inconsistent with the provisions of this Act are hereby repealed or amended accordingly.

Section 10. Effectivity. – This Act shall take effect fifteen (15) days after its publication in the *Official Gazette* or in any newspaper of general circulation.