

Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City

TWENTIETH CONGRESS
First Regular Session

HOUSE BILL NO. 827



Introduced by Hon. Julienne L. Baronda

EXPLANATORY NOTE

The exponential growth of e-commerce has provided unparalleled convenience to consumers; however, it has also given rise to an increase in online scams and fraudulent activities.

This legislation is crafted with the primary purpose and intent of protecting buyers who engage in online transactions by establishing penalties for online scammers involved in fraudulent activities. The act aims to enhance consumer trust and security in e-commerce, deter fraudulent practices, and provide legal recourse for buyers adversely affected by online scams. It criminalizes various forms of online scams, including but not limited to fraudulent product listings, phishing schemes, and false advertising. It clearly defines the scope of activities that constitute online scams and outlines corresponding penalties for offenders. To deter repeated fraudulent activities, the legislation proposes enhanced penalties for individuals identified as repeat offenders. This includes escalating fines, imprisonment, or a combination of both, depending on the severity and frequency of the offenses.

In conclusion, the Online Scammer Accountability and Buyer Protection Act is a crucial step toward addressing the challenges posed by online scams. By establishing penalties and legal recourse mechanisms, this representation aims to create a secure and fair environment for online buyers, ultimately fostering a robust and trustworthy e-commerce ecosystem.

In view of the foregoing, the passage of this bill is earnestly sought.

Rep. Julienne "Jam" L. Baronda
District Representative

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AN ACT ESTABLISHING MEASURES TO PROTECT BUYERS FROM ONLINE SCAMMERS

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

SECTION 1. – *Short Title.* - This act shall be known as the “*Online Scammer Accountability Act.*”

SECTION 2. *Definition of Terms.* - As used in this Act, the following terms shall mean:

- a) Online Scammer - An individual or entity that engages in deceptive, fraudulent, or dishonest practices with the intent to defraud buyers in online transactions.
- b) Buyer - An individual or entity that makes a purchase in an online transaction.
- c) Online Store - Any website, mobile application, or electronic platform that facilitates the sale of goods or services to buyers.

SECTION 3. *Prohibited Activities.* - Online scammers shall not engage in the following activities:

- a. False advertising or misrepresentation of products or services;
- b. Non-delivery of purchased items;
- c. Delivery of counterfeit or misrepresented goods;
- d. Unauthorized use of personal or financial information; and,
- e. Any other deceptive or fraudulent practices with the intent to defraud buyers.

SECTION 4. *Penalties for Online Scammers.* - Online scammers found guilty of engaging in prohibited activities as outlined in Section 3 shall be subject to penalties, including but not

limited to fines, restitution to affected buyers, and imprisonment, as determined by the severity of the offense in addition to any criminal act that they may have committed under the Revised Penal Code. Repeat offenders may face more severe penalties, including longer imprisonment terms and higher fines.

SECTION 5. *Reporting and Investigation.* - Buyers who believe they have fallen victim to online scammers shall have the right to report the fraudulent activity to relevant law enforcement agencies and regulatory authorities. Law enforcement agencies shall be responsible for investigating reports of online scams and taking appropriate legal action against the perpetrators.

SECTION 6. *Enforcement.* - Regulatory authorities overseeing e-commerce and online transactions shall enforce this law, ensuring compliance and taking legal action against online scammers. Sellers or online stores found to be complicit in online scams may also face penalties and legal action, including fines and restrictions on their business operations.

SECTION 7. *Public Awareness and Education.* - The government shall initiate public awareness campaigns and educational programs to inform buyers about potential online scams and how to protect themselves when making online purchases.

SECTION 8. *Effective Date.* - This Act shall take effect after fifteen (15) days following its publication in at least two (2) newspapers of general circulation and the Official Gazette.

Approved.