

'22 SEP 12 P1:24

NINETEENTH CONGRESS OF THE )  
REPUBLIC OF THE PHILIPPINES )  
*First Regular Session* )

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**SENATE**

S.B. No. 1302

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Introduced by **SENATOR IMEE R. MARCOS**

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**AN ACT  
INCREASING THE PENALTIES OF DECEPTIVE, UNFAIR, AND  
UNCONSCIONABLE SALES ACTS OR PRACTICES, PARTICULARLY IN TIMES  
OF CALAMITY, EMERGENCY CONFLICT AND DISTRESS, THEREBY  
AMENDING REPUBLIC ACT NO. 7394 OTHERWISE KNOWN AS THE  
"CONSUMER ACT OF THE PHILIPPINES"**

EXPLANATORY NOTE

Article XVI, Section 9 of the 1987 Constitution states that "The State shall protect consumers from trade malpractices and from substandard or hazardous products." Further, Republic Act No. 7394 otherwise known as the, "Consumer Act of the Philippines" provides that, "The State shall promote and encourage fair, honest and equitable relations among parties in consumer transactions and protect the consumer against deceptive, unfair and unconscionable sales acts or practices."

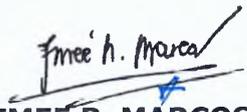
The Consumer Protection Group (CPG) under the Department of Trade and Industry (DTI) is mandated to enforce laws to for the protection of consumers, provide consumer education, and form consumer groups. Yet, a number of sellers or retailers persist in selling unconscionably overpriced products.

In the aftermath of Typhoon Odette, consumers have reported incidents of overpricing of basic commodities, particularly food and fuel. While the Department of Energy (DOE) has directed that gasoline prices must be within the range Php 60 to Php 83 per liter, there have been reports of retailers already selling gasoline at Php 90 to Php 100 per liter, particularly in fuel stations in the provinces. In the case of pork products, the average farm gate price of hogs declined recently from Php 230 per kilo to Php 200 per kilo but retail prices of pork reached more than Php 400 per kilogram last July 2022. National Federation of Hog Farmers Inc. President, Chester Warren Tan,

expressed his perplexity as to why wet market prices for pork kept going up even though farm gate prices for the same has declined. Moreover, during the height of the Taal volcano eruption and the start of the pandemic, there was a rampant selling of overpriced and substandard N95 masks and disposable surgical masks since an N95 mask usually costs between P45-P105 and a disposable surgical mask should only cost P8 per piece. Surging demand following the catastrophe, unscrupulous sellers jacked up prices of N95 mask prices to a high of P200 a piece.

Thus, this bill seeks to increase the penalties of deceptive, unfair, and unconscionable sales acts or practices, seeking to amend R.A. No. 7394 to provide wider protection to consumers and deter the act of profiteering.

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

  
**IMEE R. MARCOS**

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

1 SECTION 1. Article 60 of Republic Act No. 7394 is hereby amended to read as  
2 follows:

3 "Article 60. *Penalties.* –

4 a) Any person who shall violate the provisions of Title III, Chapter I shall, upon  
5 conviction, be subject to a fine of not less than **ONE HUNDRED THOUSAND PESOS**  
6 **(P100,000.00)** [Five Hundred Pesos (P500.00)] but not more than **ONE MILLION**  
7 **PESOS (P1,000,000.00)** [Ten Thousand Pesos (P10,000.00)] or imprisonment of  
8 not less than **ONE (1) YEAR** [five (5) months] but not more than **TWO (2) YEARS**  
9 [one (1) year] or both, upon the discretion of the court. ***PROVIDED THAT, ANY***  
10 **PERSON WHO SHALL VIOLATE THE PRECEDING IN TIMES OF CALAMITY,**  
11 **PANDEMIC OR EPIDEMIC, ECONOMIC RECESSION, OR ARMED CONFLICT**  
12 **SHALL, UPON CONVICTION, BE SUBJECT TO A FINE OF NOT LESS THAN**  
13 **THREE HUNDRED THOUSAND PESOS (P300,000.00) BUT NOT MORE THAN**  
14 **ONE MILLION PESOS (P1,000,000.00) OR IMPRISONMENT OF NOT LESS**

1 **THAN TWO (2) YEARS AND ONE (1) DAY BUT NOT MORE THAN FOUR (4)**  
2 **YEARS OR BOTH, AT THE DISCRETION OF THE COURT.**

3

4 b) In addition to the penalty provided for in paragraph (1), the court may grant  
5 an injunction restraining the conduct constituting the contravention of the provisions  
6 of Articles 50 and 51 and/or actual damages and such other orders as it thinks fit to  
7 redress injury to the person caused by such conduct."

8

9 SEC. 2. *Repealing Clause.* – All laws, decrees, orders, rules and regulations or  
10 other issuances or parts thereof inconsistent with the provisions of this Act are hereby  
11 repealed or modified accordingly.

12

13 SEC. 3. *Separability Clause.* – If any portion or provision of this Act is declared  
14 unconstitutional, the remainder of this Act or any provision not affected thereby shall  
15 remain in force and effect.

16

17 SEC. 4. *Effectivity.* – This Act shall take effect after fifteen (15) days following  
18 the completion of its publication either in the Official Gazette or in a newspaper of  
19 general circulation in the Philippines.

*Approved,*