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Republic of the Philippines  
House of Representatives  
Quezon City, Metro Manila

SEVENTEENTH CONGRESS  
First Regular Session

House Bill No. 585

Introduced by Hon. Leopoldo N. Bataoil

### EXPLANATORY NOTE

Since the enactment of the Revised Penal Code which defines and punish Robbery and other crimes committed against bank and/or bank depositors, through the use of the banking system or force and intimidation; efforts of the government to suppress its commission have been insufficient. In the last five (5) years bank robberies had resulted to staggering losses of more or less P252, 785, 943.78 and the death of numerous bank employees and clients. Likewise, in other bank crimes such as Estafa, Swindling, Theft, violation of Access Device Act, etc; the total losses amounted to more or less P5,013,766,955.19. This amount does not include the losses on foreign currency denomination.

These types of criminal elements and fraudsters, if not decisively addressed, will certainly erode public trust to the duly constituted authorities and undermines the stability of the banking system. They steadily improve their organization and are going strong in number and becoming more aggressive, daring and sophisticated in their nefarious activities in view of the following factors:

- a. It is a lucrative endeavor for criminal elements;
- b. Organizational and operational police problem resulting to insufficient/ineffective solution to suppress the particular type of crime;
- c. Absence of holistic legislation designed to discourage criminal elements by increasing penalties, improved the police effort to maximize protection to the banking system.

In view of the foregoing, there is therefore a need for the immediate passage of a holistic legislation designed to discourage criminal elements by: Strengthening the present efforts of BSP, BAP and BSMA in proactively protecting the banking industry and increasing the penalties for bank crimes and facilitating the recovery of the fruits of the crimes; and

1 creating a dedicated police unit to ensure a continuing integrated and coordinated national  
2 campaign against bank robberies and other bank crimes.  
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**LEOPOLDO N. BATAOIL**  
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1 (e) "Firearms" shall mean a gun of any caliber designed and intended to be aimed  
2 and fired from one hand, which may either be revolvers or automatic or semi-automatic  
3 magazine pistols, or any shotgun, rifle of any caliber or any high-powered gun, automatic or  
4 semi-automatic, most suitable for bank security purposes.

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6 (f) "Bank Fraud" shall mean the use of fraudulent means to obtain money, assets, or  
7 other property owned or held by a financial institution, or to obtain money from depositors by  
8 fraudulently representing to be a bank of financial institutions.

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10 (g) "Other bank crimes" means any of the acts defined under Articles 166, 167, 168,  
11 169, 172, 315, and 316 of the Revised Penal Code, and Sec. 9 of RA # 8484 where the  
12 banking system is used as a means of perpetrating the offense, including but not limited to,  
13 unauthorized transfer of funds from one account to another or from one bank to another.

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15 **SEC. 4. Appointment of Chief Security Officer.** — within sixty (60) days from the  
16 effectivity of this Act, the board of directors of each bank shall appoint or designate a  
17 qualified Chief Security Officer with adequate office staff, who shall be under the direct  
18 supervision of the president and shall be responsible for the development and administration  
19 of a security program and installation, maintenance and operation of security devices in  
20 accordance with the standards to prescribed by the Banko Sentral ng Pilipinas (BSP) in  
21 separate rules and regulations. In banks with twenty (20) or more branches, Chief security  
22 officers shall be full time.

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24 The chief security officer must be a least thirty five (35) years of age, a college degree  
25 holder, with a least five (5) years of managerial/supervisory experience in either field of law  
26 enforcement or security operations, of unquestionable integrity, of good moral character and  
27 has not been convicted on any criminal offense: Provided, that a criminology graduate shall  
28 be given credit equivalent in experience in view of his educational background.

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30 The Chief Security Officer shall be responsible for:

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32 a. The development and administration of a security program acceptable to BSP;  
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34 b. The conduct of continuing security awareness program among all bank employees  
35 to highlight that security is a common concern;  
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37 c. Investigation of bank robberies/hold-ups, recommending the filing of appropriate  
38 charges in court as the evidence may warrant and assisting in the prosecution of the  
39 perpetrator(s) thereof;  
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41 d. The establishment of an effective working relationship with the BSP, Philippine  
42 National Police (PNP) and other law enforcement agencies in the prevention of bank  
43 crimes and other natural and manmade hazards; and  
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45 e. The conduct of continuing research and studies on new techniques, methods and  
46 equipment to enhance bank protection measures.

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48 For the purposes of the foregoing, a security management team headed by the Chief  
49 Security Officer maybe constituted if warranted.  
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