EXPLANATORY NOTE

Cellular phones, especially smartphones, have been increasingly popular among Filipinos in recent years. In 2016, the Ericsson Mobility Report estimated that over 40 million people are smartphone users in the Philippines and expects this number to more than double to 90 million by 2021.

This growth in cellular phones in the country is not at all a cause for alarm. However, this beckons a need for extra security in petty crimes, such as stealing, involving these cellular phones.

According to the National Telecommunications Commission, there were almost 6000 stolen or lost phones reported in 2015 just in Metro Manila alone. An average of 500 phones were reported stolen per month, with November having the highest reported cases of 1299 stolen phones.

The bill proposes to prevent establishments, especially pawnshops, to deal with stolen goods in the hopes of curbing this criminal activity. It intends to amend the Anti-Fencing Law of 1979 in order to mandate the owner or managers of these establishments to require the proof of purchase or ownership of the mobile phone involved before being bought, acquired or accepted as pawn.

The approval of this bill is earnestly sought.

LUIS RAYMUND "LRAY" F. VILLAFUERTE, JR.
Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City

EIGHTEENTH CONGRESS
First Regular Session

HOUSE BILL NO. 2443

Introduced by HON. LUIS RAYMUND "LRAY" F. VILLAFUERTE, JR.

AN ACT
FURTHER REGULATING THE SALE OF SECOND HAND ARTICLES
PARTICULARLY ELECTRONIC AND TELECOMMUNICATIONS EQUIPMENT,
AMENDING FOR THE PURPOSE PRESIDENTIAL DECREE NO. 1612,
OTHERWISE KNOWN AS THE "ANTI-FENCING LAW OF 1979"

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

SECTION 1. Section 6 of Presidential Decree No. 1612, otherwise known as the
"Anti-Fencing Law of 1979", is hereby amended to read as follows:

"Section 6. Clearance/Permit to Sell/Use Second Hand Articles. – For purposes of
this Act, all stores, establishments or entities dealing in the buy and sell of any good,
article, item, object or anything or value obtained from an unlicensed dealer,
[or]supplier OR INDIVIDUAL [thereof] shall before BUYING AND offering the same
for sale to the public, secure the necessary clearance or permit from the station
commander of the [Integrated] PHILIPPINE National Police in the town or city where
such store establishment or entity is located.

IN THE CASE OF ELECTRONIC AND TELECOMMUNICATIONS EQUIPMENT,
HOWEVER, SUCH AS BUT NOT LIMITED TO MOBILE OR CELLULAR PHONES,
THE OWNER OR MANAGER OF SUCH STORE, ESTABLISHMENT OR ENTITY
SHALL FIRST REQUIRE THE PROOF OF PURCHASE OR OWNERSHIP AND
THE NECESSARY CLEARANCE FROM THE NATIONAL
TELECOMMUNICATIONS COMMISSION FROM THE SELLER OF THE SAID ITEM BEFORE BUYING, ACQUIRING, OR ACCEPTING THE SAME AS PAWN. [The Chief of Constabulary/Director General, Integrated National Police shall promulgate such rules and regulations to carry out the provisions of this section.] Any person who fails to secure the clearance or permit AND THE PROOF OF PURCHASE OR OWNERSHIP required by this section or who violates any of the provisions of the rules and regulations promulgated thereunder shall, upon conviction, be punished as a fence. FURTHER, THE PERMIT OR LICENSE TO OPERATE OF SUCH STORE, ESTABLISHMENT OR ENTITY SHALL BE REVOKED.

SECTION 2. The Director General of the Philippine National Police shall, within sixty (60) days after the effectivity of this Act, promulgate such rules and regulations to implement this Act.

SECTION 3. This Act shall take effect in fifteen (15) days after publication in the Official Gazette or in one (1) newspaper of general circulation in the Philippines.

Approved,