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## COMMITTEE MEETING ON HOUSE MEASURES

COMMITTEE	MEASURES		SUBJECT MATTER	ACTION TAKEN/DISCUSSION
	NO.	PRINCIPAL AUTHOR		
Banks and Financial Intermediaries	HB 3787	Rep. Rodriguez	Prohibiting the imposition of fees and charges on dormant accounts	<p>The Committee, chaired by Quirino Rep. Junie Cua, will deliberate further on HB 3787 in its next meeting.</p> <p>In his explanatory note attached to HB 3787, Rep. Rufus Rodriguez (2<sup>nd</sup> District, Cagayan de Oro City) stated that the practice of imposing fees and charges on dormant accounts must be stopped. He said that banks must understand that they are operating primarily to help people and not to make money off innocent depositors who may have forgotten about an account or who had to work abroad, like in the case of overseas Filipino workers, and left the account inactive.</p> <p>Bangko Sentral ng Pilipinas (BSP) Acting Deputy Director of the Office of Supervisory Policy Development Rhodora de Vera expressed support for the intention of the bill. She said that the BSP recognizes that dormant accounts are more susceptible to fraud mainly because of lack of customer activity. This is the reason why the BSP requires banks to have internal control measures to ensure that transactions on dormant accounts are legitimate. The BSP also requires the bank to notify the bank account holder at least 60 days before the account becomes dormant.</p> <p>Rep. Cua asked BSP to comment on Section 5 of the bill which proposes that upon expiration of dormant accounts, the unclaimed balance shall be surrendered to the National Treasury.</p> <p>De Vera suggested to review Section 5 vis-à-vis the Unclaimed Balances Act as the law provides that unclaimed balances that shall be surrendered to the National Treasury are accounts with no further deposits or withdrawals during the last 10 years or more.</p> <p>Under Section 1 of the proposed law, a dormant account is a current or checking account showing no activity for a period of three years, or a savings account showing no activity for a period of five years.</p> <p>The BSP will submit a detailed position paper to discuss their comments to the said measure.</p>
	HB 6387	Rep. Vergara	Amending Batas Pambansa (BP) Blg. 22 or the law penalizing the making or drawing and issuance of a check without sufficient funds or credit (in order to strengthen public confidence in checks as a negotiable instrument)	<p>The Committee will deliberate further on HB 6387 in its next meeting.</p> <p>Rep. Rosanna "Ria" Vergara (3<sup>rd</sup> District, Nueva Ecija), author of HB 6387, said that her bills seeks to amend BP 22, otherwise known as the Anti-Bouncing Check Law, by providing that the service of the notice of dishonor at the last known address of the check issuer shall be deemed <i>prima facie</i> evidence of valid service of such notice. This, she said, will relieve the prosecutors with the burden of proof that the issuer personally received</p>

Continuation... Banks and Financial Intermediaries				<p>the notice of dishonor which is a stringent requirement that often bars the conviction of BP 22 offenders.</p> <p>The proposed law also seeks to increase the prescribed jail term from one to six years and eliminating the maximum amount of fine that the courts can impose in lieu of the penalty of imprisonment.</p> <p>Expressing support for the bill were representatives from the BSP, Chamber of Thrift Bank (CTB), and Rural Bankers Association of the Philippines (RBAP). CTB Executive Director Suzanne Felix said that criminalizing the issuance of checks without sufficient funds will make people more responsible in using checks.</p>
HB 7714	Rep. Barbers		Establishing the Philippine Public Payment System	The Committee agreed to create a technical working group (TWG) to harmonize the two bills.
HB 7747	Rep. Castelo		Mandating the installation of online payment systems in all public offices and appropriating funds therefor	<p>The TWG will be headed by the BSP, with the following members: Department of Finance, Bureau of Treasury, Land Bank of the Philippines, Development Bank of the Philippines, Philippine Payments Management, Inc., Bankers Association of the Philippines, RBAP, CTB, and representatives from the remittance industry and the consumers.</p> <p>HB 7714, authored by Rep. Robert Ace Barbers (2<sup>nd</sup> District, Surigao del Norte), seeks to establish a Philippine public payment system that will enable government authorities and institutions to transfer money, such as tax refunds, government subsidies, social ameliorations, pensions or the like to a citizen's bank account. Likewise, HB 7747, authored by Rep. Precious Hipolito Castelo (2<sup>nd</sup> District, Quezon City), seeks to reduce face-to-face government transactions by mandating government agencies to offer alternative means to the public in the payment of taxes and fees.</p> <p>Atty. Bridget Rose Mesina-Romero of the BSP Payment System Oversight Department expressed support for the bills as this is aligned with the BSP's objective of promoting digital payments and financial inclusion. She said that the BSP recognizes that the bills will promote the ease of doing business and seamless service delivery to reduce red tape and minimize corruption while strengthening financial institutions.</p> <p>Mesina-Romero added that the BSP has already exerted efforts to encourage and regulate payment systems, especially with the enactment of RA 11127 or the National Payment Systems Act. She suggested that the existing account of the account holder be used for the proposed payment system instead of opening a new account.</p> <p>Rep. Vergara suggested to include in the proposed law safeguard mechanisms that will ensure that refunds or subsidies deposited by government agencies in the account of beneficiaries will not fall into the hands of loan sharks who are in possession of ATM cards of people indebted to the former.</p>

Comments, suggestions and requests for copies may be sent to the Committee Publication Staff, Committee Management Support Service I, 3rd Floor, Ramon V. Mitra, Jr. Bldg., House of Representatives, Constitution Hills, Quezon City, through [cmss1.cad@house.gov.ph](mailto:cmss1.cad@house.gov.ph) or at tel. nos. 8932-6118/8931-5001 local 7122. Also available at <http://www.congress.gov.ph>