

Republic of the Philippines
House of the Representatives
Quezon City

SEVENTEENTH CONGRESS
First Regular Session

HOUSE BILL NO. 1282

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| HOUSE OF REPRESENTATIVES | |
| RECEIVED | |
| DATE: | <u>07 JUL 2016</u> |
| TIME: | <u>3:30 PM</u> |
| BY: | <u>[Signature]</u> |
| REGISTRATION UNIT BILLS AND INDEX SERVICE | |

Introduced by: Congressman Lord Allan Jay Q. Velasco

EXPLANATORY NOTE

The Revised Penal Code (RPC), also known as Act 3815, had been enacted way back in December 8, 1930. While the RPC governed our penal laws for more than eight decades the amounts of monetary fines or penalties punishing crimes remain unchanged, this, despite the devaluation and inflation which our currency has undergone thru more than eight decades.

In order to uphold the full force and teeth of our penal laws the punishment for offensive/crimes including the fine, imprisonment and civil disqualification components must be up to date. With regard to the fine component the amounts are still based on 1930 prices, the year the law was enacted. The massive inflation and devaluation our currency has gone through renders the punitive fine component of the RPC negligible. It is in this light that an adjustment of the fine through an amendment is highly in order.

The outdated fines incorporated in the RPC are vividly exhibited in Art 147 of said law, wherein the value of the fine is yet to be amended.

The present bill humbly suggests new amounts, subject to the committee's discretion, replacing the old ones using a formula utilizing the available data from the National Statistics Coordination Board relating to Consumer Price Indexes.

In adjusting the fines accurately the inflation rate computed from 1930 up to the present must be computed. However, there is no data available for the CPI (Consumer Price Index) earlier than 1955 in the Philippines and no data available for the CPI from 1986 to 1988. Moreover, there had been a total of 8 rebasing of base years for the computation of inflation rates (the purpose of rebasing is to make relevant or update the items included in the basket of goods).

Given these limitations, the year 1995 is used as the base year for the computation up to 2011 and disregarding the inflation rate in the years 1986 to 1988 making the derived inflation rate a conservative one. Using the derived inflation rate of 8,012% we can now compute the adjusted values of fines after factoring in the change in prices in the Philippines, more precisely the effect of inflation rate.

The following amended version reflects the adjusted fine component for Art 147 rounded off to the nearest thousand:

“Art. 147. *Illegal associations.* – The penalty of prison correccional in its minimum and medium periods and ***a fine not exceeding 80,000 pesos*** shall be imposed upon the founders, directors, and presidents of associations totally or partially organized for the purpose of committing any of the crimes punishable under this Code or for some purpose contrary to public morals. Mere members of said associations shall suffer the penalty of arresto mayor.”

This moment is certainly the best and opportune time to amend the above mentioned article of our antiquated RPC.

Immediate passage of this bill is earnestly sought.



LORD ALLAN JAY Q. VELASCO

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**AN ACT AMENDING ARTICLE 147 OF ACT NO. 3815, AS AMENDED,
OTHERWISE KNOWN AS THE REVISED PENAL CODE**

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

SECTION 1. Article 147 of Act No. 3815, as amended, otherwise known as the Revised Penal Code, is hereby further amended to read as follows:

“Art. 147. *Illegal associations.* – The penalty of prison correccional in its minimum and medium periods and ***a fine not exceeding 80,000 pesos*** shall be imposed upon the founders, directors, and presidents of associations totally or partially organized for the purpose of committing to public morals. Mere members of said associations shall suffer the penalty of arresto mayor.”

SECTION 2. *Repealing Clause.* – Any law, presidential decree or issuance, executive order, letter of instruction, administrative order, rule or regulation contrary to or inconsistent with the provision of this Act is hereby repealed, modified or amended accordingly.

SECTION 3. *Effectivity Cause.* – This Act shall take effect fifteen (15) days after its publication in the Official Gazette or at least two (2) newspapers of general circulation.

Approved,