



Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City

EIGHTEENTH CONGRESS
First Regular Session



COMMITTEE REPORT NO. 261

Submitted by the Committee on Social Services on MAR 03 2020
Re: House Bill No. 6451
Recommending its approval in substitution of House Bill No. 4341
Sponsors: Representatives Sandra Y. Eriguel, M.D. and Josephine Y. Ramirez-Sato

Mr. Speaker:

The Committee on Social Services, to which was referred House Bill No. 4341 introduced by Representative Josephine Y. Ramirez-Sato, entitled:

**AN ACT REGULATING PUBLIC SOLICITATIONS AND PROVIDING
PENALTIES FOR VIOLATION THEREOF, REPEALING FOR THE
PURPOSE ACT NO. 4075, AS AMENDED BY PRESIDENTIAL DECREE NO.
1564, OTHERWISE KNOWN AS THE "SOLICITATION PERMIT LAW"**

has considered the same and recommends that the attached House Bill No. 6451,
entitled:

**AN ACT REGULATING PUBLIC SOLICITATIONS AND PROVIDING
PENALTIES FOR VIOLATIONS THEREOF**

be approved in substitution of House Bill No. 4341 with Representative Josephine Y. Ramirez-Sato as author thereof.

Respectfully submitted,

Sandra Y. Eriguel

HON. SANDRA Y. ERIGUEL, M.D.

Chairperson
Committee on Social Services

THE HONORABLE SPEAKER
HOUSE OF REPRESENTATIVES
Quezon City

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EIGHTEENTH CONGRESS
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House Bill No. 6451
(in substitution of House Bill No. 4341)

Introduced by: Rep. Josephine Y. Ramirez Sato

1 AN ACT
2 REGULATING PUBLIC SOLICITATIONS AND PROVIDING PENALTIES FOR
3 VIOLATIONS THEREOF
4

5 *Be it enacted by the Senate and House of Representatives of the Philippines in Congress*
6 *assembled:*
7

8 SECTION 1. *Short Title.* – This Act shall be known as the “Public Solicitations
9 Act”.
10

11 SEC. 2. *Declaration of Policy.* – It is hereby declared a policy of the State to
12 regulate public solicitation undertaken by organizations, agencies, groups and
13 individuals in order to protect the general public from unscrupulous solicitation and
14 to ensure that funds are properly utilized for the intended charitable, social or public
15 welfare purposes and for the intended beneficiaries. Towards this end, standards
16 and guidelines are hereby established to strengthen the system of granting permits
17 or authorization to primarily solicit funds or donations from the public.
18
19

20 SEC. 3. *Definition of Terms.* – As used in this Act:
21

22 (a) *Administrative cost* refers to the ordinary or necessary cost or expense
23 incurred relative to the conduct of a solicitation activity which include
24 the application fee for a solicitation permit, cost of mailing, printing of
25 letters of appeal and other paraphernalia;
26

27 (b) *Beneficiaries* refer to Filipino citizens who are poor, vulnerable,
28 marginalized and disadvantaged sectors or entities who will benefit
29 from the proceeds of public solicitation conducted. These include:

30 (1) Children who are abandoned, neglected, orphaned,
31 voluntarily committed, abused and exploited, street

children, children with disabilities, children in conflict with the law, children in need of special protection, children in cultural communities, and children victims of natural disasters;

- (2) Out-of-school youth and other youth with special needs;
- (3) Disadvantaged Women in especially difficult circumstances;
- (4) Persons with disabilities;
- (5) Senior citizens;
- (6) Indigenous Peoples;
- (7) Persons, families, and communities who are in crisis situation, including those who are internally displaced due to armed conflict and other developmental projects, and victims of natural and human-induced calamities or disasters;
- (8) Persons suffering from serious, terminal or chronic diseases and illnesses such as cancer and kidney failure;
- (9) Rebel returnees and families who are victims of armed conflict situation; and
- (10) Poor or dysfunctional families in depressed communities among others.

(c) *Blacklisting* refers to the act of entering into a list or registry persons, organizations and agencies which are being prohibited from conducting any solicitation activity due to violations of the provisions of this Act;

(d) *Charitable purpose* refers to the intent to provide assistance or services or extend relief to or conduct activities for the improvement of the quality of life of beneficiaries as defined in this section;

(e) *Donor* refers to a person, organization or agency that donates cash or property for charitable, social or public welfare purposes;

(f) *Individual* refers to a person who has the capability and integrity to launch a solicitation drive for charitable, social or public welfare purposes or to a person who is a parent, guardian, or immediate relative within the third (3rd) degree of consanguinity or affinity of a patient under Section 3(B)(8) who is acting as representative of said patient and desiring to solicit or receive charitable contributions from the public;

(g) *Organization or agency* refers to any national government agencies (NGAs), government-owned and -controlled corporations (GOCCs), state universities and colleges (SUCs), public schools, the academe, local government units (LGUs) and other government agencies; non-

1 government organizations (NGOs) including faith-based
2 organizations, civil society organizations(CSOs), people's
3 organizations; associations and similar organizations, chapters and
4 affiliates of similar international organizations operating in the
5 Philippines desiring to solicit or receive contributions from the public
6 for charitable, social and public welfare purposes;
7

8 (h) *Program cost* refers to all direct and indirect expenses incurred in the
9 provision of services or goods to the beneficiaries of the public
10 solicitation including expenses of the donee person, organization or
11 agency in its operation and the implementation of relevant programs
12 and services;
13

14 (i) *Public* refers to the populace, society, masses or people in general
15 within the Philippine territory where the public solicitation is to be
16 undertaken;
17

18 (j) *Public solicitation* refers to any activity or project intended to generate
19 funds, goods, or other assistance from the public for charitable, social
20 and public welfare purposes;
21

22 (k) *Public welfare purpose* refers to any activity or project relative to the
23 promotion of health, education, peace, social welfare and protection,
24 environmental safety, rights, security and safety of citizens and similar
25 circumstances or conditions including disaster relief operations and
26 climate change management; preservation and promotion of culture
27 and arts;
28

29 (l) *Revocation* refers to the cancellation of the issued solicitation permit
30 due to the commission of any violation as provided in this Act;
31

32 (m) *Social welfare purpose* refers to undertaking and/or assisting in the
33 amelioration of the living conditions of beneficiaries under Section 3
34 (B);
35

36 (n) *Solicitation permit* refers to a certificate of authority issued by the
37 Department of Social Welfare and Development (DSWD), the
38 Provincial Social Welfare and Development Office (PSWDO), the City
39 Social Welfare and Development Office (CSWDO), or the Municipal
40 Social Welfare and Development Office (MSWDO) to an individual,
41 organization or agency applying for an authorization to solicit
42 donations or voluntary contributions for charitable, social and public
43 welfare purposes.
44

45 SEC. 4. *Coverage.* - This Act shall apply to any NGAs, GOCCs, SUCs, public
46 schools, LGUs and other government agencies, individuals, CSOs including faith-

1 based organizations, people's organizations, NGOs, academe, associations and
2 similar organizations, chapters and affiliates of similar international organizations
3 operating in the Philippines which are partly or fully financed with funds solicited
4 from or contributed by the public or private sector for charitable, social and public
5 welfare purposes.
6

7 Notwithstanding the foregoing, this Act shall not be used as a defense of a
8 violation committed by a government official or employee against Section 7(D) of
9 Republic Act No. 6713, otherwise known as the "Code of Conduct and Ethical
10 Standards for Public Officials and Employees", on soliciting gift or anything of
11 monetary value from any person in the course of their official duties or in connection
12 with any operation being regulated, or any transaction which may be affected by the
13 function of their office.
14

15 SEC. 5. *Exemption from Coverage.* - The following shall be exempted from
16 application of solicitation permit:
17

18 (a) Organizations or agencies created by laws that specifically confer
19 authority on these organizations and agencies to solicit or conduct fund
20 campaign for charitable or public welfare purposes shall continue to be
21 covered by their charters and shall not be required to acquire a solicitation
22 permit: *Provided,* That the DSWD and concerned Local Social Welfare and
23 Development Office (LSWDO) shall be informed in writing before the
24 conduct of the solicitation campaign and shall have the authority to
25 monitor their activities and to require these organizations and agencies to
26 submit reports pertaining to the conduct of the public solicitation and the
27 utilization of funds solicited: *Provided, further,* That the DSWD shall
28 maintain and periodically update the list of organizations and agencies that
29 are exempted from application of solicitation permit;
30

31 (b) Caroling during holiday season, regardless of purpose;
32

33 (c) Solicitations for religious purposes that are made within religious
34 sanctuaries, such as churches, mosques, and such other building
35 structures regularly used for religious service or worship; and
36

37 (d) Requests of individuals for financial assistance from the Philippine
38 Charity Sweepstakes Office (PCSO) and similar agencies.
39

40 SEC. 6. *Solicitation Permit; Requirements.* - No solicitation permit shall be
41 issued to an individual, organization or agency without first complying with the
42 following documentary requirements:
43

44 (a) Duly accomplished application form signed by the individual,
45 organization or agency head or an authorized representative;
46

- 1 (b) Project proposal for individual case or in the case of an organization or
2 agency, a proposal approved by the head of the applicant, on the
3 intended public solicitation activity including the work and financial
4 plan on the activity to be undertaken, and information and details
5 relative to the intended beneficiaries;
6
7 (c) Personal profile of individual applicant showing information attesting
8 to the applicant's identity, capability and integrity to launch a
9 solicitation drive, including proof showing that the said applicant is
10 the parent, guardian, or immediate relative within the third (3rd)
11 degree of consanguinity or affinity of a patient, as defined in Section 3
12 (F);
13
14 (d) In the case of an applicant organization or agency, a certified true copy
15 of its Certificate of Registration and Articles of Incorporation and by-
16 laws with the Securities and Exchange Commission (SEC) or other
17 regulatory government agency which has jurisdiction to regulate the
18 organization or agency;
19
20 (e) Updated certificate of good standing from the SEC or other regulatory
21 government agency which has jurisdiction to regulate the organization
22 or agency;
23
24 (f) Notarized written agreement or any similar document signifying the
25 concurrence of the intended beneficiaries to be recipients of the
26 solicitation activity; and
27
28 (g) Notarized board resolution or other written authorization for the
29 organization or agency's planned solicitation activity which shall
30 ensure strict compliance to the standard ratio on fund utilization.
31

32 For the purpose of this Act, the documentary requirements shall be
33 waived for institutions or organizations seeking funding support during
34 disaster response activities.
35

36 SEC. 7. *Authority to Issue Permit.* – The following officials are authorized to
37 grant a solicitation permit to an eligible individual, organization or agency that will
38 conduct solicitation activities for charitable and public welfare purposes:
39

- 40 (a) Secretary of the DSWD or a duly authorized Undersecretary of the
41 DSWD for national public solicitations;
42
43 (b) DSWD Regional Director or any duly authorized representative for
44 regional public solicitations;
45
46 (c) Provincial Governor through the PSWDO Chief or any duly authorized

1 representative for provincial public solicitations; and

- 2
3 (d) City or Municipal Mayor through the CSWDO Chief or the MSWDO
4 Chief or any duly authorized representative for local public
5 solicitations.
6

7 SEC. 8. *Validity of Permit.* - All solicitation permits issued by the DSWD, the
8 PSWDO, the CSWDO, or the MSWDO shall be valid only on the approved date of
9 coverage which in no case shall exceed one (1) year within the specified city,
10 municipality, region or areas in the Philippines. Its validity shall not extend outside
11 of the Philippines even if the target beneficiaries and donors are Filipinos.
12

13 An organization or agency with a good track record in conducting public
14 solicitation, as determined by the DSWD, the PSWDO, the CSWDO, or the MSWDO
15 may be granted a solicitation permit with a longer validity period which shall not
16 exceed two (2) years.
17

18 SEC. 9. *Types of Public Solicitation.* - Public solicitation shall be categorized as
19 follows:
20

- 21 (a) Local public solicitation refers to a solicitation activity conducted
22 within a city or municipality;
23
24 (b) Provincial public solicitation refers to a solicitation activity conducted
25 within two (2) or more cities or municipalities in the same province;
26
27 (c) Regional public solicitation refers to a solicitation activity conducted
28 within two (2) or more provinces in a region; and
29
30 (d) National public solicitation refers to a solicitation activity conducted in
31 two (2) or more regions.
32

33 SEC. 10. *Solicitation During Calamities or Disasters.* - In times of natural or
34 human-induced calamities or disasters, when the intended beneficiaries of the public
35 solicitation are disaster-stricken areas or communities where a state of calamity has
36 been declared by the President of the Philippines or by the local *sanggunian*, a
37 temporary solicitation permit may be issued to the applicant individual,
38 organization or agency upon submission of a duly accomplished application form,
39 as provided for in Section 6(a) of this Act, signed by the applicant individual, or
40 head of the organization or agency, or an authorized representative.
41

42 The validity of the temporary solicitation permit shall be determined by the
43 concerned DSWD office, PSWDO, CSWDO, or MSWDO in coordination with the
44 Disaster Risk Reduction and Management Council office or equivalent office
45 depending on their assessment of the impact of the calamity or disaster to the
46 affected areas. The applicant individual, organization or agency shall comply with

1 the requirements provided under Section 6 of this Act within the period set forth by
2 the concerned DSWD office, PSWDO, CSWDO, or MSWDO.

3
4 SEC. 11. *Fees and Charges.* – For national and regional public solicitations, the
5 DSWD may charge reasonable fees corresponding to the cost only of preparing the
6 solicitation permit. The fees shall be remitted to the National Treasury, recorded as
7 a Special Account in the General Fund and shall be available to the DSWD through a
8 Special Budget pursuant to Section 35 of Executive Order No. 292, otherwise known
9 as the “Administrative Code of 1987”. For provincial and local public solicitations,
10 the governor, city or municipal mayor may impose reasonable fees corresponding to
11 the cost only of preparing the solicitation permit, subject to the provisions of
12 Republic Act No. 7160, otherwise known as the “Local Government Code of 1991”
13 and other existing laws.

14
15 SEC. 12. *Methods of Public Solicitation.* – Public solicitation may be done
16 through any of the following:

- 17
18 (a) Written request such as letters of appeal, envelopes, cards and other
19 similar forms;
20
21 (b) Mass media, such as television, cinema, radio, magazines, newspapers,
22 billboards, social media and other similar forms;
23
24 (c) Distribution, circulation, publication or posting of written
25 advertisement or other similar forms;
26
27 (d) Rummage sales and sale of goods including souvenir items;
28
29 (e) Benefit shows including concerts, fashion shows and other forms of
30 entertainment;
31
32 (f) Fun runs, marathon, cycling, and other forms of sports activities;
33
34 (g) Popularity contests;
35
36 (h) Donation boxes, coin banks and other similar forms; and
37
38 (i) Other methodologies that may be allowed by the DSWD, the PSWDO,
39 the CSWDO, or the MSWDO.

40
41 SEC. 13. *Allocation of Proceeds.* – Not more than thirty percent (30%) of the total
42 proceeds from the fund-raising activity of any individual, organization or agency
43 shall be expended for administrative cost. Not less than 70% of the total proceeds
44 shall be utilized entirely for proposed projects or programs to be undertaken by the
45 targeted beneficiaries: *Provided,* That in cases where solicitation campaigns are
46 conducted to fund programs or projects to help disaster or calamity-stricken areas or

1 resolve national or local crises, a more flexible rate or percentage in the allocation of
2 the proceeds is allowed. Unless compliance with this section is satisfactorily
3 established on the basis of the report in Section 15 of this Act, no individual,
4 organization or agency shall be issued any subsequent solicitation permit.
5

6 It shall be mandatory for funds collected during public solicitations to be
7 deposited in a banking institution regulated by the *Bangko Sentral ng Pilipinas* (BSP)
8 in the name of the individual, organization or agency to which the permit was
9 issued. A book of accounts shall also be required in the monitoring and validation
10 of the report.
11

12 The date, duration, and place where the consolidation and accounting of
13 proceeds shall be undertaken and the date of the awarding or turnover of the
14 proceeds to the beneficiaries shall be witnessed by the authorized representatives
15 from the DSWD, the PSWDO, the CSWDO, or the MSWDO for national and
16 regional, provincial, city, or municipal public solicitation, respectively.
17

18 SEC. 14. *Monitoring of Public Solicitation.* – The individual, organization or
19 agency to which the solicitation permit was issued shall submit to the concerned
20 DSWD office and LSWDO the following documents:
21

22 (a) Not later than sixty (60) days after the issuance of the permit, a duly
23 notarized report signed and sworn to by the individual or by at least two
24 (2) authorized officers of the organization or agency, indicating whether
25 the solicitation permit was used or not.
26

27 (1) If the issued solicitation permit is not used, the individual,
28 organization or agency shall submit to the appropriate DSWD
29 office, PSWDO, CSWDO, or MSWDO the justification for not
30 conducting or continuing the solicitation activity within the
31 validity period, and surrender the issued permit;
32

33 (2) If the solicitation permit was used, an initial report on the status
34 of utilization of the issued permit shall be submitted;
35

36 (b) Not later than sixty (60) days after the expiration of the issued solicitation
37 permit, the following documents shall be submitted:
38

39 (1) Notarized fund utilization report of its income and expenditures
40 sworn to by the individual, or in the case of an organization or
41 agency, the president and treasurer of the organization or
42 agency;
43

44 (2) List of donors with their corresponding addresses and contact
45 numbers, and the amount of donations;
46

(3) List of beneficiaries with their corresponding signatures, addresses, contact numbers and amount or types of assistance extended;

(4) List of projects undertaken and completed with an indication of their location and cost; and

(5) Expired original solicitation permit.

Provided, That the DSWD shall keep and maintain a record of the organizations with solicitation permits including information of their validity.

To assist in the monitoring of public solicitation activities, the public may inquire from the DSWD or concerned LSWDO whether a public solicitation activity is legitimate or not.

SEC. 15. *Reportorial Requirements for Exempt Organizations.* - Those organizations or agencies that are exempt from securing a solicitation permit as specified in Section 5 of this Act shall inform the DSWD and the concerned LSWDO in writing prior to conducting solicitation activity and submit reportorial requirements at the end of the fiscal year when public solicitation has been conducted. Reports shall consist of the following documents:

(a) Notarized fund utilization report of its collections, income and expenditures sworn to by the president and treasurer of the organization or agency; *Provided, That for government agencies, the notarized fund utilization report shall be sworn to by the head of agency and the treasurer;*

(b) List of donors and their corresponding addresses and contact numbers;

(c) List of beneficiaries with their corresponding signatures, addresses, contact numbers and amount or types of assistance extended; and

(d) List of projects completed, location and cost with complete documentation on the project including pictures, videos and testimonies of beneficiaries.

SEC. 16. *Regulatory Powers.* - The DSWD, the PSWDO, the CSWDO, or the MSWDO may, in the exercise of their regulatory powers, verify the authenticity of the report submitted by conducting spot monitoring or reviewing of the book of accounts of the concerned individual, organization or agency. Likewise, the DSWD is granted visitorial powers to ensure that the soliciting individuals and organizations are legitimate and the funds solicited are properly utilized.

1 Further, the individual, organization or agency shall, for each solicitation
2 activity, maintain and preserve an accurate and detailed book of accounts for not
3 less than three (3) years after the completion of such public solicitation activity,
4 which shall be available for inspection, at all times, upon demand by the DSWD, the
5 PSWDO, the CSWDO, or the MSWDO. Likewise, the DSWD, the PSWDO, the
6 CSWDO, or the MSWDO shall keep a record of the reports and supporting
7 documents submitted by individuals, organizations or agencies previously granted a
8 solicitation permit.
9

10 Public solicitations conducted by government agencies shall be subject to the
11 post-audit jurisdiction of the Commission on Audit (COA) pursuant to its
12 constitutional mandate under Section 2 (1), Article IX-D of the 1987 Philippine
13 Constitution. As for non-government entities, further determination must be made
14 as to the source of its funds or the nature of the account sought to be audited by the
15 COA.
16

17 The DSWD field offices shall submit to their respective COA regional offices
18 copies of reportorial requirements submitted by the concerned government agency.
19

20 SEC. 17. *Filing of Complaints.*— The DSWD, the PSWDO, the CSWDO, or the
21 MSWDO shall, on their respective initiative or upon a verified complaint of any
22 person, refer to the appropriate law enforcement agency or the prosecutor's office
23 any violation of the provisions of this Act, for investigation and the filing of
24 complaint in the appropriate court.
25

26 Any individual or law enforcement agency may file a complaint before the
27 appropriate court against any individual, organization or agency, which shall
28 commit or is engaged in any of the acts punishable under Section 19 of this Act.
29

30 SEC. 18. *Role of Law Enforcement Agencies.* – All law enforcement agencies shall
31 assist the DSWD, the PSWDO, the CSWDO, or the MSWDO in the efficient and
32 effective enforcement of this Act.
33

34 SEC. 19. *Prohibited Acts.* – The following acts are punishable under this Act:
35

- 36 (a) Soliciting without securing a solicitation permit from the DSWD, the
37 PSWDO, the CSWDO, or the MSWDO;
38
- 39 (b) Soliciting beyond the allowed area of coverage as indicated in the
40 approved solicitation permit;
41
- 42 (c) Violating the mode of solicitation as indicated in the approved
43 solicitation permit;
44
- 45 (d) Using a falsified or tampered solicitation permit;
46

- (e) Soliciting with an expired solicitation permit;
- (f) Using the solicited funds for purposes other than those indicated in the application form;
- (g) Including the beneficiaries as part of the strategy or mechanism in conducting the solicitation activity which tends to exploit the beneficiaries;
- (h) All games of chance, the conduct of which is for charitable, social or public welfare purposes;
- (i) Using solicitation paraphernalia which portray a dehumanizing picture, information or situation of the intended beneficiaries; and
- (j) Disbursement of solicited funds not in accordance with the standard fund utilization ration.

SEC. 20. *Penalties.* – Any individual, organization or agency that violates the provisions of Section 19 of this Act shall be punished with imprisonment of not less than one (1) year but not more than three (3) years or a fine of not less than One hundred thousand pesos (P100,000.00) but not more than Five hundred thousand pesos (P500,000.00), or both, at the discretion of the court.

If the offender is a public officer, the said officer shall suffer the penalty of temporary disqualification and subject to criminal or administrative charges, in addition to such fine and/or imprisonment.

Additionally, for the first offense, the solicitation permit of the individual, organization or agency shall be revoked and no permit shall be issued to them for a period of two (2) years from the date of violation. For the second offense, the individual, organization or agency shall be permanently banned from conducting any solicitation activity.

A final and executory judgment finding an organization or agency liable for violating any of the prohibited acts under Section 19 of this Act for a second time, shall be a ground for the cancellation and revocation of the organization or agency's registration or license to operate, and shall be endorsed to the concerned government regulatory agency for its appropriate action.

If the offender is an organization or agency, the incumbent officers of the organization or agency at the time of the commission of the offense who have knowingly participated or who shall have knowingly permitted or failed to prevent its commission, shall be held liable.

If the offender is a foreigner, the offender shall, after serving sentence, be

1 immediately deported and barred permanently from entering the country.

2
3 SEC. 21. *Failure to Report.* - Failure to comply with the reportorial
4 requirements as provided under Sections 14 and 15 of this Act shall be punished
5 with a fine of not less than One hundred thousand pesos (P100,000.00) but not more
6 than Five hundred thousand pesos (P500,000.00).

7
8 Additionally, for the first offense, the solicitation permit of the individual,
9 organization or agency shall be revoked and no permit shall be issued to the
10 offending party for a period of one (1) year from the date of violation.

11
12 For the second offense, the solicitation permit of the individual, organization
13 or agency shall be revoked and no permit shall be issued to the offending party for a
14 period of two (2) years from the date of violation.

15
16 For the third offense, the individual, organization or agency shall be
17 permanently banned from conducting any solicitation activity.

18
19 SEC. 22. *Forfeiture of Proceeds.* - All solicited funds from an unauthorized
20 public solicitation shall be forfeited in favor of the government.

21
22 SEC. 23. *Information Dissemination.* - The DSWD, the PSWDO, the CSWDO, or
23 the MSWDO shall periodically publish a list of all individuals, organizations or
24 agencies with public solicitation permits. The list shall include the permit number,
25 duration period, methodology to be used and the areas covered. They shall also
26 publish a list of individuals, organizations or agencies whose solicitation permits
27 have been cancelled or revoked.

28
29 SEC. 24. *Implementing Rules and Regulations.* - Within ninety (90) days from the
30 approval of this Act, the Secretary of Social Welfare and Development, in
31 consultation with the Secretary of the Interior and Local Government, the Secretary
32 of Transportation, the Secretary of Information and Communications Technology,
33 the Secretary of Trade and Industry, the Chairperson of the PCSO, the Chairperson
34 of the PAGCOR, the Director General of the Philippine National Police, the
35 Commissioner of the SEC, the President of the Association of PSWDO, the President
36 of the Association of CSWDO, the President of the Association of MSWDO, and
37 three (3) representatives selected by the DSWD from among the academe, NGOs and
38 media organizations, shall promulgate the necessary rules and regulations for the
39 effective implementation of this Act.

40
41 SEC. 25. *Separability Clause.* - If any provision or part of this Act is held
42 invalid or unconstitutional, the remaining parts or provisions not affected shall
43 remain in full force and effect.

44
45 SEC. 26. *Repealing Clause.* - Act No. 4075, as amended, otherwise known as
46 "An Act Regulating the Practice of Soliciting or Receiving Contributions for Charitable and

1 *Public Welfare Purposes*" is hereby repealed. Section 444(b)(3)(v) and Section
2 455(b)(3)(v) of the Local Government Code of 1991 and all other laws, decrees,
3 executive orders and proclamations, rules and regulations or parts thereof
4 inconsistent with this Act are hereby amended or modified accordingly.

5
6 SEC. 27. *Effectivity.* - This Act shall take effect fifteen (15) days after its
7 publication in the *Official Gazette* or in a newspaper of general circulation.

8
9 Approved,

10

FACT SHEET

House Bill No. 6451
(in substitution of House Bill No. 4341)

AN ACT REGULATING PUBLIC SOLICITATIONS AND PROVIDING PENALTIES FOR VIOLATIONS THEREOF

*Introduced by: **REP. JOSEPHINE Y. RAMIREZ-SATO***

*Committee Referral: **COMMITTEE ON SOCIAL SERVICES***

*Committee Chairperson: **REP. SANDRA Y. ERIGUEL, M.D.***

OBJECTIVES:

- To regulate public solicitations undertaken by organizations and agencies, groups and individuals in order to protect the general public from unscrupulous solicitation.
- To establish standards and guidelines to strengthen the system of granting permits or authorization primarily to solicit funds or donations from the public for charitable, social and public welfare purposes and ensure that funds are properly utilized for the intended purpose and beneficiaries.

KEY PROVISIONS:

- Enumerates all agencies and organizations which are covered by the Act;
- Identifies the documentary requirements for solicitation permits;
- Enumerates the officials authorized to grant solicitation permits;
- Defines the parameters of solicitation during disasters and calamities;
- Enumerates the methods of public solicitation;
- Provides for the mechanism in the monitoring of public solicitation activities;
- Grants the Department of Social Welfare and Development regulatory powers to verify the authenticity of reports and visitorial power to ensure that funds solicited are properly utilized;
- Lays down the prohibited acts in the conduct of solicitation and prescribes penalties in violation of the provisions of the Act; and
- Mandates the Department of Social Welfare and Development in consultation with concerned government agencies, the Association of Provincial Social Welfare Development Office, the Association of City Social Welfare Development Office, the Association of Municipal Social Welfare Development Office, and three (3) representatives selected by the DSWD from among the academe, Non-Government Organizations, and

media organizations to promulgate the necessary rules and regulations for the effective implementation of the Act.

RELATED LAWS:

- Act No. 4075, as amended by Presidential Decree No. 1564 ("Solicitation Permit Law")
- Republic Act No. 6713 ("Code of Conduct and Ethical Standards for Public Officials and Employees")
- Republic Act No. 7160 ("Local Government Code of 1991")