



ORDINANCE NO. 22-04 S. 2024

AN ORDINANCE PROHIBITING THE PAWNING OF PANTAWID PAMILYANG PILIPINO PROGRAM (4Ps) CASH CARDS BY ANY INDIVIDUAL IN THE CITY OF BATANGAS, PROVIDING PENALTIES THEREFORE AND OTHER PURPOSES

**AUTHOR : SP MEMBER NELSON J. CHAVEZ
Committee on Social Welfare**

CO-AUTHORS : ALL SP MEMBERS

WHEREAS, it is the policy of the state to promote social justice in all phases of national development;

WHEREAS, Section 2 of RA 3765 otherwise known as the "Truth of Lending Act provides for the protection of the citizens from lack of awareness of the true cost of credit to the user by assuring a full disclosure of such cost with a view of preventing the uninformed use of credit to the detriment of the national economy;"

WHEREAS, engaging in lending business without valid authority to operate from the Securities and Exchange Commission (SEC) and unfair and unconscionable acts and practices are penalize under RA 9474 (Lending Company Act of 2007) and RA 7394 (Consumers Act of the Philippines);

WHEREAS, the Pantawid Pamilyang Pilipino Program (4Ps) is a human development measure of the national government to improve the health, nutrition, and the education of children aged 0-18 where beneficiary families receive financial grants through cash cards issued by the Land Bank of the Philippines (LBP);

WHEREAS, countless incidents of misuse of grants due to pawning of Cash Cards were reported to the Department of Social Welfare and Development Office (DSWD) Grievance Redress System (GRS) and were validated and verified by the Provincial and Cluster Grievance Officers;

WHEREAS, the conditional grants received by the beneficiaries are owned by the government, which does not authorize the grantee to pawn or use it as loan collateral or to any transaction or undertaking whatsoever and that such act is sanctioned by the Pantawid Pamilya National Advisory Council thru NAC Resolution No. 2, Series of 2010 and No. 10, Series of 2012 as amended by Resolution No. 20, Series of 2014;

WHEREAS, the practice of pawning LBP Cash Cards and using it as collateral for procuring high interest-bearing loans is contrary to the spirit and intention of the Pantawid Pamilyang Pilipino Program and defeats its very purpose;

WHEREAS, to discourage and eliminate the recorded incidence and avoid recurrence, and penalize those that engage in such acts, this ordinance is deemed necessary;

HON. NELSON J. CHAVEZ

HON. MAMANDO C. LAZARTE

HON. OLIVER Z. MACATANGAY

HON. MESTORE. DIMACUHA

HON. ANDREA LOISE F. MACARAIG

HON. CARLOS ENMANUEL A. BUTED

HON. HAMILTON G. BLANCO

HON. ALYSSA RENEE A. CRUZ

HON. MARCUS MANUEL D. CASTILLO

HON. ANGELITO DONDONA. DIMACUHA

HON. MICHAEL C. VILLENA

HON. LORENZO A. GAMBOA JR.

HON. SIDRA M. ATIENZA

HON. ZESTER CARLO M. HERNANDEZ

HON. JOSE JOYASH LUIS F. TOLENTINO



Continuation of Ordinance No. 22-04 S. 2024

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NOW THEREFORE, be it **ORDAINED** as it is hereby **ORDAINED** by the Sangguniang Panlungsod of Batangas City, in a regular session duly assembled the following:

SECTION 1. SHORT TITLE. - This ordinance shall be known and cited as the “**4PS CASH CARD ANTI-PAWNING ORDINANCE OF BATANGAS CITY**”.

SECTION II. DEFINITION OF TERMS. - As used in this Ordinance, the following terms shall be defined as follows:

- a. Beneficiary – refers to the active household registered in the Conditional Cash Transfer Program with a 0–18-year-old child/ children eligible for Compliance Verification System Monitoring;
- b. Business establishment – this includes any store, supermarket, cooperative, lending institutions, banks, among others;
- c. Cash Card – a tool issued by the DSWD used to withdraw cash grant from the government;
- d. Credit Provider – this refers to any person engaged in the business of lending;
- e. Collateral – any security put up by a borrower to ensure that the debt will be paid, in this Ordinance refers to the Pantawid Pamilya Cash Card;
- f. Grievance Redress System (GRS) – mechanism to address grievances relative to the implementation of the Program, essentially ensuring that its goals and objectives are archived. The system is a venue where both the qualified households-beneficiaries and the general public can report the grievances for resolutions;
- g. Interest – the amount imposed by the lender on top of the principal amount which are both paid by the borrower;
- h. Pantawid Pamilyang Pilipino Program or 4Ps – a government program giving financial assistance to extremely poor households to help families in the education of their children and let them embark on any livelihood project in order to improve their lives;
- i. Pawn – to borrow money with security or collateral the principal of which is subject to interest usually excessive;
- j. Private individual – any non-beneficiary or non-government official/ employee.

HON. NELSON J. CHAVEZ

HON. WILSON D. LAZARTE

HON. GUYER MACATANGAY

HON. WESTORE DIMACUHA

HON. ANDREA LOPEZ F. MACARAIG

HON. KARLOS EMMANUEL A. BUTED

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SECTION III. COVERAGE. -

This Ordinance shall cover:

- a. All active beneficiaries of Pantawid Pamilyang Pilipino Program or 4Ps in the City of Batangas, including the family members or third parties who may be holding the Cash Card in behalf of the active beneficiary;
- b. All non-4Ps individuals, government employees, business establishments, and/or other similar entities and private individuals engaging in the business of lending money with 4Ps cash card as collateral within the territorial jurisdiction of the City of Batangas.
- c. All individuals offering loan to household beneficiaries of Pantawid Pamilyang Pilipino Program or 4Ps requiring Cash Cards as collateral, whether operating within or outside of City of Batangas, provided that those who are located outside Batangas City, accepts a 4Ps cash card from a resident of Batangas City; and
- d. Officers or agents of entities which includes but not limited to associations, cooperatives, companies, or corporations offering loan to household beneficiaries of Pantawid Pamilyang Pilipino Program or 4Ps requiring cash Card as Collateral.

SECTION IV. PROHIBITED ACTS. -

- a. It shall be unlawful for any individual mentioned in Section III (c), officers or agents of entities like associations, cooperatives, companies, or corporations with or without juridical personality to offer loan to household beneficiaries mentioned in Section II (d) requiring Cash Cards as collateral;
- b. It shall be unlawful for Credit Providers mentioned in Section III (b) to require or accept 4Ps Cash Card as loan collateral, as settlement for financial obligations incurred during any gambling activities, or as exchange for drugs, and any other illegal substance, liquor and other services;
- c. It shall be unlawful for any household beneficiaries or any member of the families mentioned in Section III (a) to:
 - i. Pawn the 4Ps Cash Card and to use it as collateral for the purpose of procuring loans;

HON. ARSONI CHAVEZ

HON. ANDRÉS C. LAZARTE

HON. OLIVER MACATANGAY

HON. NESTOR E. DIMACUHA

HON. ANDREA LOISE F. MACABAIG

HON. KARLOS EMMANUEL A. BUTED

HON. HAMILTON G. BLANCO

HON. ALYSSA REEEA. CAJIZ

HON. MARCUS MANUEL D. CASTILLO

HON. ANGELITO DONDON A. DIMACUHA

HON. MICHAEL C. VILLENA

HON. JORLENZO A. GAMBOA JR.

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- ii. Use the 4Ps Cash Card as collateral to settle financial obligations due to gambling or bartered in exchange for drugs and any other illegal substance, liquor and other services; and
- iii. Possess 4Ps Cash Card other than the person whose name appears therein, unless (1) the card belongs to a senior citizen or person with disability (PWD) or a relative of the holder within the third (3rd) civil degree of consanguinity of affinity; or (2) the holder is equipped with a duly notarized Special Power of Attorney.

SECTION V. PENALTY CLAUSE. -

a. Any person committing the prohibited act under Section IV (c) of this Ordinance shall be liable as follows:

- i. First Offense – Counselling by the Cluster Link with a written warning from the head of the Provincial Operations Office;
- ii. Second Offense – Counselling by the Social Welfare Officer in charge and a written warning from the Regional Director while the grant of the erring household shall be suspended / not released for one (1) payment or for a period of two (2) months.
- iii. Third Offense – Delisting of the erring household under the Grievance Redress System (GRS) Fraud duly approved by the Regional Director and tagging to be facilitated by the Regional Grievance Officers. Said delisting is non-appealable.

b. Any person or entity committing the prohibited act under Section IV (a) and (b) of this Ordinance shall be penalized as follows:

- i. First Offense – 7 days imprisonment and/or Php 2,000.00 fine, at the discretion of the court, and/or warning from the Business Permit and Licensing Office (BPLO) if and when applicable;
- ii. Second Offense – 15 days imprisonment and/or Php 3,000.00 fine, at the discretion of the court, and/or suspension of Business Permit if and when applicable;

HON. ARSON J. CHAVEZ

HON. REMANDO C. LAZARTE

HON. JOIVER L. MACAFANGAY

HON. NESTOR E. DIMACUHA

HON. ANDREA LOISE F. MACARAIG

HON. KARLOS EMMANJUEL A. BUTED

HON. HAMILTON G. BLANCO

HON. ALISSA RINEE A. CRUZ

HON. MARCUS MANUEL D. CASTILLO

HON. ANGELITO DONDON A. DIMACUHA

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iii. Third Offense – 30 days imprisonment and/or Php 5,000.00 fine, at the discretion of the court, and/or per cash card pawned and / or cancellation of business permit if and when applicable.

c. If the prohibited act is committed by a corporation, partnership, association, or other juridical entities, the penalties provided for in this section shall be imposed upon the directors, officers, employees, or other officials or persons therein responsible for the offense without prejudice to the civil liabilities arising from the criminal offense.

SECTION VI. ENFORCEMENT. - The City Advisory Committee on Anti-Pawning of 4Ps Cash Card shall be created to spearhead and ensure the implementation of this ordinance, to wit:

- | | | |
|---------------|---|---|
| Chairman | : | City Mayor |
| Vice Chairman | : | CSWD Officer |
| Members | : | Batangas City PNP |
| | | BPLO |
| | | ABC President |
| | | SP Chairman on Social Welfare and Development |

The Committee shall convene and create necessary Implementing Rules and Regulations for this Ordinance.

SECTION VII. DISPOSITION OF FUNDS. - All fines collected in the enforcement of this Ordinance shall be deposited to a Trust Fund and such shall be utilized for the programs and activities of the Pantawid Pamilyang Pilipino Program (4Ps), subject to the usual auditing and accounting rules and procedures.

SECTION VIII. SEPARABILITY CLAUSE. - Should any provision hereof be declared unconstitutional or ultra vires, the other not so declared shall remain in full force and effect.

SECTION IX. REPEALING CLAUSE. - Any ordinance, executive order and other rules and regulations, or parts thereof, in conflict with or inconsistent with the provision of this ordinance are hereby repealed or modified accordingly.

HON. NELSON J. CHAVEZ

HON. AMAN DO C. LAZARTE

HON. OLIVER Z. MACATANGAY

HON. WENSTOR E. DIMACUHA

HON. ANDREA LOISE F. MACARANG

HON. KARLOS EMANUEL A. BUTED

HON. HAMILTON G. BLANCO

HON. ALYSSA RENEE A. CRUZ

HON. MARCUS MANUEL D. CASTILLO

HON. ANGELITO DONDON A. DIMACUHA

HON. MICHAEL C. VILLENA

HON. LORENZO A. GAMBORA JR.

HON. EDRA M. ATIENZA

HON. ZESTER CARLO M. HERNANDEZ

HON. JOSE JONAS H. LUIS F. TOLENTINO



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SECTION X. EFFECTIVITY. - This Ordinance shall take effect upon approval by the City Mayor and after the prescribed posting in various conspicuous places and publication in a newspaper of local circulation in the City of Batangas.

ENACTED by the Sangguniang Panlungsod this 19th day of March, 2024.

ATTY. OLIVA D. TELEGATOS
Secretary

ATTESTED:

ATTY. ALYSSA RENEE A. CRUZ
Presiding Officer

APPROVED:

BEVERLEY ROSE A. DIMACUHA
City Mayor

Date Approved: APR 02 2024

HON. MARCOS CHAVEZ

HON. ARMANDO C. LAZARTE

HON. OLIVER Z. MACATANGAY

HON. NESTORE DIMACUHA

HON. ANDREA LOUISE F. MACARAIG

HON. CARLOS EMMANUEL A. BUTED

HON. HAMILTON G. BLANCO

HON. MANUEL D. CASTILLO

HON. ANGELITO DONDON A. DIMACUHA

HON. MICHAEL C. VILLENA

HON. LORENZO A. GAMBDA JR.

HON. ISIDRA M. ATIENZA

HON. ZESPER CARLO M. HERNANDEZ

HON. JOSE JONASH LUIS F. TOLENTINO



REPUBLIC OF THE PHILIPPINES
BATANGAS CITY

OFFICE OF THE SANGGUNIANG PANLUNGSOD

EXCERPT FROM THE MINUTES OF THE REGULAR SESSION HELD BY THE
MEMBERS OF THE SANGGUNIANG PANLUNGSOD OF BATANGAS CITY
ON MARCH 19, 2024 AT THE SANGGUNIAN SESSION HALL

PRESENT:

Hon. Alyssa Renee A. Cruz	Presiding Officer
Hon. Hamilton G. Blanco,	Sangguniang Panlungsod Member
Hon. Karlos Emmanjuel A. Buted,	"
Hon. Andrea Loise F. Macaraig,	"
Hon. Nestor E. Dimacuha,	"
Hon. Oliver Z. Macatangay,	"
Hon. Armando C. Lazarte,	"
Hon. Nelson J. Chavez,	"
Hon. Jose Jonash Luis F. Tolentino,	"
Hon. Zester Carlo M. Hernandez,	"
Hon. Isidra "Ched" M. Atienza,	"
Hon. Lorenzo A. Gamboa, Jr.,	"
Hon. Michael C. Villena,	"
Hon. Angelito Dondon A. Dimacuha,	Liga ng mga Barangay President
Hon. Marcus Manuel D. Castillo.	SK Pederasyon President

"On motion of SP Member Chavez seconded by SP Member Angelito Dondon Dimacuha, the following Resolution was Adopted:


RESOLUTION NO. 22-143 S. 2024

APPROVING ON THIRD AND FINAL READING THE 4PS CASH CARD ANTI-PAWNING ORDINANCE OF BATANGAS CITY

RESOLVED, to approve on Third and Final Reading the ordinance entitled: "An Ordinance Prohibiting the Pawning of Pantawid Pamilyang Pilipino Program (4Ps) Cash Cards by Any Individuals in the City of Batangas, Providing Penalties Therefore and Other Purposes".

UNANIMOUSLY APPROVED."

I hereby certify that the foregoing Resolution No. 22-143 S. 2024 was approved by the Sangguniang Panlungsod of Batangas City during its Regular Session held on March 19, 2024.


ROSEMARIE D. HERNANDEZ
Board Secretary IV

NOTED:


ATTY. OLIVA D. TELEGATOS
Secretary

ATTESTED:


ATTY. ALYSSA RENEE A. CRUZ
Presiding Officer



Republic of the Philippines
Batangas City

Code: QM-6PB-RA-2.27
Effectivity Date: March 1, 2024
Revision No: 0
Tracking No: 002

Office of the Sangguniang Panlungsod

COMMITTEE ON SOCIAL WELFARE

COMMITTEE REPORT

TO: THE HONORABLE VICE MAYOR ATTY. ALYSSA RENEE A. CRUZ & THE HONORABLE SANGGUNIANG PANLUNGSOD MEMBERS

SUBJECT: PROPOSED ORDINANCE "AN ORDINANCE PROHIBITING THE PAWNING OF PANTAWID PAMILYANG PILIPINO PROGRAM (4Ps) CASH CARDS BY ANY INDIVIDUAL IN THE CITY OF BATANGAS, PROVIDING PENALTIES THEREFORE AND OTHER PURPOSES (Author: Hon. Nelson J. Chavez, Hon. Lorenzo Gamboa Jr. and Hon. Jonash Luis F. Tolentino)

On February 08, 2024, a Committee Hearing was called to discuss the subject request of the City Mayor. Present during the committee hearing were: the Chairman of the Committee on Social Welfare, Hon. Nelson J. Chavez and Members, Hon. Isidra "Ched" M. Atienza, and Hon. Karlos Emmanjuel A. Buted. Also present were Acting Vice Mayor Hon. Hamilton G. Blanco, Hon. Andrea Loise F. Macaraig, Hon. Nestor "Boy" Dimacuja, Hon. Oliver Z. Macatangay, Hon. Jose Jonash Luis F. Tolentino, ABC President Hon. Angelito A. Dimacuja, City Legal Office Atty. III - Atty. Shaira Garcia Humarang, CSWDO Mrs. Hiyasmin A. Candava, DWSD Field Office - 4A Project Development Officer II City Link Ms. Cleo de Luna, DWSD FO-4A PDO II Ms. Rosa Raquel M. Real, DWSD FO-4A PDO II City Link Mr. Josue M. Mendoza and DSWD FO-4A PDO-PGO (Provincial Grievance Officer).

This ordinance aims to protect the 4Ps beneficiaries from unconscionable interest rates imposed by unlicensed and unlawfully operating lenders and to protect the integrity of public funds being spent under the state's flagship poverty alleviation program which aims to protect and promote children's rights to health and education.

During the committee hearing, the author of the ordinance discussed the purpose and objectives of the proposed ordinance. The Sangguniang Panlungsod members and Resource Person present, individually raised relevant comments and suggestions which were acknowledged by the author and with due consideration amendments were incorporated in the proposed ordinance.

Considering the foregoing, the committee hereby recommends the following:

1. The approval of the proposed Ordinance "AN ORDINANCE PROHIBITING THE PAWNING OF PANTAWID PAMILYANG PILIPINO PROGRAM (4Ps) CASH CARDS BY ANY INDIVIDUAL IN THE CITY OF BATANGAS, PROVIDING PENALTIES THEREFORE AND OTHER PURPOSES" on its second reading and endorsing the same to be included in the agenda of the next Regular Session for its third and final reading.
2. The adoption of this committee Report.




Republic of the Philippines
Batangas City

Office of the Sangguniang Panlungsod

Respectfully Submitted: March 12, 2024

COMMITTEE ON SOCIAL WELFARE


HON. NELSON J. CHAVEZ
Chairman
Committee on Social Welfare


HON. ISIDRA "CHED" M. ATIENZA
Member


KARLOS EMMANJUEL A. BUTED
Member