

Item No.: 09

Date: 10 2024 SEP



Republic of the Philippines  
PROVINCE OF LEYTE  
Provincial Capitol  
Tacloban City

-oOo-

SANGGUNIANG PANLALAWIGAN



PROVINCIAL LEGAL OFFICE

Province of Leyte  
Legal Office

Released: *[Signature]*  
Time: *[Signature]*  
Date: 8-30-24

**2<sup>nd</sup> INDORSEMENT**  
August 22, 2024

Respectfully returned to the Sangguniang Panlalawigan of Leyte, through SP Secretary, the attached Ordinance No. 164 of the Sangguniang Bayan of San Isidro, Leyte.

**Issues/concerns for review/recommendation/legal opinion is/are as follows:**

- Ordinance No. 164 entitled: **An Ordinance Prohibiting Lenders/Loan Sharks, Pantawid Familyang Pilipino Program (4Ps) and Social Pension Beneficiaries of San Isidro, Leyte from engaging Cash Pawning Using their Cash card or Automated Teller Machine (ATM) Card as Collateral for Loans, Gambling, Vices, and other forms of False Representation and Providing Penalties for Violation thereof.**

**REVIEW/RECOMMENDATION/LEGAL OPINION:**

The tests of a valid ordinance are well established. A long line of decisions has held that for an ordinance to be valid, it must not only be within the corporate powers of the local government unit to enact and must be passed according to the procedure prescribed by law, it must also conform to the following substantive requirements: (1) *must not contravene the Constitution or any statute;* (2) *must not be unfair or oppressive;* (3) *must not be partial or discriminatory;* (4) *must not prohibit but may regulate trade;* (5) *must be general and consistent with public policy;* and (6) *must not be unreasonable.*<sup>1</sup>

Perusal of the Ordinance submitted, this office is of the opinion that the same shall not contain provisions susceptible of further interpretations and which may contain acts considered *ultra vires*.

While the Ordinance involves a valid exercise of police power under the Local Government Code of 1991 and in consonance with the wisdom, intent and provisions of R.A. No. 11310<sup>2</sup> (4Ps), Republic Act No. 9994<sup>3</sup> (Social Pension) and related laws, the same shall be carefully crafted to ensure that 1) the same does not violate any constitutional right of a person to property and its attributes, and 2) that the terms of the ordinance to be not unreasonable.

Thus, the return of the said ordinance for further review is warranted.

Likewise, since the Ordinance is intended to protect the beneficiaries thru their cash cards, for the ordinance to be effective, this office further recommends, among others, the following:

<sup>1</sup> G.R. NO. 118127: April 12, 2005;

<sup>2</sup> R.A. 11310 "An Act Institutionalizing the Pantawid Familyang Pilipino Program (4Ps), Rule IX, Rule XIV, DSWD NAC Reso No. 20 S. 2014 Section II, par 3, sub par 3.1, enumeration 3.1.1.

<sup>3</sup> "An Act To Maximize The Contribution Of Senior Citizens To Nation Building, Grant Benefits And Special Privileges And For Other Purposes" and DSWD MC No. 06 series of 2024 providing for the "Enhanced Omnibus Guidelines in the program implementation of the Social Pension for Indigent Senior Citizens."

1. Include the definition of "CASH CARD" in its definition of terms.
2. In order to reflect the contents of the ordinance, the same shall appropriately be titled as **"An Ordinance Prohibiting the use of Cash Cards issued to (4Ps) and Social Pension Beneficiaries of San Isidro, Leyte, as Collateral for Loans or Vices and Providing Penalties for Violation Therefore."**

*(Please note that gambling is already included in your definition of "vices".)*

We hope to have assisted you with this request. Please note that the opinion rendered by this Office are based on facts available and may vary or change when additional facts and documents as presented or changed. This opinion is likewise without prejudice to the opinions rendered by higher and competent authorities and/or the courts.

**ATTY. JOSE RAYMUND A. ACOL**  
*Asst. Provincial Legal Officer*



*JA*


Republic of the Philippines  
PROVINCE OF LEYTE  
Palo, Leyte

Province of Leyte  
Legal Office  
Received: My M. Wabon  
Time: 9:40 A.M.  
Date: 07/31/2024

**OFFICE OF THE SANGGUNIANG PANLALAWIGAN**

**1<sup>ST</sup> INDORSEMENT**  
31 July 2024

The Provincial Legal Office is respectfully requested to review and submit recommendations on the herein enclosed **Municipal Ordinance No. 164, series of 2024** of the **Municipality of San Isidro, Leyte**, entitled: An Ordinance Prohibiting the Lenders/Loan Sharks, Pantawid Pamilyang Pilipino Program (4Ps) and Social Pension Beneficiaries of San Isidro, Leyte from Engaging Cash Pawning Using their Cash Card or Automated Teller Machine (ATM) Card as Collateral for Loans, Gambling, Vices, and other forms of false representation and providing penalties for violation thereof.

  
**FLORINDA J. UYVICO**  
Secretary to the Sanggunian



BAGONG PILIPINAS

Republic of the Philippines  
Region VIII  
Province of Leyte  
**MUNICIPALITY OF SAN ISIDRO**

**16<sup>th</sup> Sangguniang Bayan**

July 29, 2024

**HON. LEONARDO M. JAVIER, JR.**

Provincial Vice Governor  
Legislative Bldg. Capitol Cmpd.  
Tacloban City

Attn: The Honorable Members of the Sangguniang Panlalawigan/  
Secretary to the Sangguniang Panlalawigan.

**Honorable Ladies and Gentlemen:**

Respectfully submitting herewith 16 copies of the **MUNICIPAL ORDINANCE NO. 164 - 2024, "AN ORDINANCE PROHIBITING THE LENDERS/LOAN SHARKS, PANTAWID PAMILYANG PILIPINO PROGRAM (4PS) AND SOCIAL PENSION BENEFICIARIES OF SAN ISIDRO, LEYTE FROM ENGAGING CASH PAWNING USING THEIR CASH CARD OR AUTOMATED TELLER MACHINE (ATM) CARD AS COLLATERAL FOR LOANS, GAMBLING, VICES, AND OTHER FORMS OF FALSE REPRESENTATION AND PROVIDING PENALTIES FOR VIOLATION THEREOF."**, for review and appropriate action by the August Body.

I hope you find everything in order.

Thank you.

Respectfully yours

**MARIA CARIVE R. VILLARINO**  
Secretary to the Sanggunian

Attachment:

- 16 copies M.O, no. 164 s. 2024



Republic of the Philippines  
Region VIII  
Province of Leyte  
MUNICIPALITY OF SAN ISIDRO

16th Sangguniang Bayan

**MUNICIPAL ORDINANCE No. 164**  
Series of 2024

**“AN ORDINANCE PROHIBITING THE LENDERS/LOAN SHARKS, PANTAWID PAMILYANG PILIPINO PROGRAM (4Ps) AND SOCIAL PENSION BENEFICIARIES OF SAN ISIDRO, LEYTE FROM ENGAGING CASH PAWNING USING THEIR CASH CARD OR AUTOMATED TELLER MACHINE (ATM) CARD AS COLLATERAL FOR LOANS, GAMBLING, VICES, AND OTHER FORMS OF FALSE REPRESENTATION AND PROVIDING PENALTIES FOR VIOLATION THEREOF.”**

Sponsored by: Hon. Ailene L. Basilan  
Hon. Rem Beryl Y. Veloso, Hon. Hospicio B. Apacible, Hon. Carmichael L. Villarino, and Hon. Rolando C. Piamonte

EXPLANATORY NOTE

The Pantawid Pamilyang Pilipino Program or 4Ps is a human development measure of government that provides CASH GRANTS to the poorest of the poor, to improve the health, nutrition and the education of children of the household beneficiaries aged 0-18.

The CASH GRANTS are distributed to the household beneficiaries through a Landbank CASH CARD issued to them.

In order to protect the interest of the household beneficiaries from an unscrupulous individuals or entities of unlawful machinations and to preserve the integrity of the program, this legislative enactment is crafted.

This is a valid exercise of the police power vested upon the Local Government Units pursuant to Section of the Local Government Code of 1991 (RA 7160).

**SECTION 1. TITLE.** This Ordinance shall be known and cited as "CASH CARD PROTECTION ORDINANCE OF SAN ISIDRO."



**SECTION 2. DECLARATION OF POLICY**

- a) It is hereby declared the policy of the municipality to promote the general welfare of its inhabitants;
- b) It is likewise the policy of the municipality to protect its inhabitants from deceitful machinations perpetrated by unscrupulous individuals or entity; and
- c) It is also the policy of the municipality to help the national government in weeding-out undesirable household beneficiaries from the program.

**SECTION 3. OBJECTIVES.** This ordinance aims to achieve the following goals:

- a) To ensure effective and proper utilization of the Pantawid Cash Grant in accordance to its purpose.
- b) To eradicate/eliminate the cash card pawning and loan collateral of 4Ps ATM Card.
- c) To minimize if not eradicate poverty and hunger in the municipality.

**SECTION 4. DEFINITION OF TERMS.**

- a) **PAWNING OF CASH CARD OR ATM CARD** - the cash card or ATM card of the Pantawid Beneficiary ID given to a loan financier as security for money borrowed or credit on items/goods.
- b) **GAMBLING** - to bet/play of chance or strakes using the Cash Grants released by the program to a Pantawid beneficiary.
- c) **COLLECTION OF FEES** -to collect any amount of money from a Pantawid Beneficiary for whatever purpose.
- d) **VICES** - habitual or frequent indulgence in drinking alcohol, prohibited drugs, gambling and other undesirable practices committed by beneficiaries by using Grants for these acts.
- e) **FRAUD** - an act of deceit, cheating or trickery made by dishonest individuals in order to receive benefits.
- f) **FALSE REPRESENTATION** -a false or wrongly representation regarding a material fact with the knowledge or belief of its inaccuracy.
- g) **SANCTIONS** - in law and legal definition, are penalties or other means of enforcement used to provide incentives for obedience with the law, or with rules and regulations.
- h) **BENEFICIARIES** -active household or families registered "and qualified "in the Pantawid Pamilyang Pilipino Program (4Ps)
- i) **CASH GRANTS** -monetary assistance released to the Pantawid Pamilyang Pilipino Beneficiaries.

*cash card as not specific only cash card being personal property*

*already under 4Ps*

*Handwritten signature*

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j) **LENDER FINANCIER/LENDING COMPANY**- is an individual person, groups, establishment, association, cooperative *([a] of section 5)* engaged in granting loans with interest and collateral.

k.) **UCT – Unconditional Cash Transfer** – is the cash grants provided to poor households and individuals who may not benefit from the lower income tax rates but may be adversely affected by rising prices.

**SECTION 5. COVERAGE.**

a) Individuals offering and or giving and releasing loan to household beneficiaries of Pantawid Pamilyang Pilipino Program or 4Ps, Social Pension beneficiaries or UCT (Unconditional Cash Transfer) beneficiaries requiring Cash Cards as collateral;

b) Officers or Agents of entities like associations, cooperatives, companies, or corporations offering and or giving and releasing loan to household beneficiaries of Pantawid Pamilyang Pilipino Program or 4Ps, Social pension or UCT beneficiaries requiring Cash Cards as collateral; and

c) All household beneficiaries of the program including those families in the modified cash transfer program in need of special protection as follows:

- c.1. street families;
- c.2. itinerant indigenous families;
- c.3. families displaced by natural and manmade disasters;
- c.4. families with a person with disability (PWD);
- c.5. child laborers;
- c.6. children in conflict with the law;
- c.7. families with members with terminal disease; and
- c.8. victim of human trafficking.

**SECTION 6. PROHIBITED ACTS.**

a) It shall be unlawful for any individual mentioned in Section V (a), officers or agents of entities like associations, cooperatives, companies, or corporations with or without juridical personality to offer, give and release loan to household beneficiaries mentioned in Section V (b) requiring Cash Cards as collateral; and

b) It shall be unlawful for any household beneficiaries or any member of the families mentioned in Section V (c) to use their CASH CARD or ATM as collateral of a loan, gambling and vices.

*accept,*

**SECTION 7. PENALTIES.** For Pantawid Pamilyang Pilipino Beneficiaries, Social Pension and UCT beneficiaries found violating this ordinance, shall be penalized as follows;

- a) **FIRST OFFENSE** – one thousand pesos (P 1,000.00) or reprimand.
- b) **SECOND OFFENSE** – one thousand five hundred pesos (P 1,500.00)
- d) **THIRD OFFENSE** – two thousand five hundred pesos (P 2,500.00) or imprisonment not exceeding one year or both at the discretion of the competent court.

For any person, collector Lenders/Financier found violating this Ordinance, shall be penalized as follows:

- a) **FIRST OFFENSE** – one thousand pesos (P1,000.00) for every cash card they hold, agreement and pantawid IDs of every beneficiary.
- b) **SECOND OFFENSE** – two thousand (P2,000.00) for every cash card they hold, agreement and pantawid IDs of every beneficiary.
- c) **THIRD OFFENSE** – two thousand five hundred pesos (P2,500.00) for every cash card they hold, agreement and pantawid IDs of every beneficiary, or imprisonment not exceeding one (1) year, or both at the discretion of the court.

**SECTION 8. IMPLEMENTING RULES AND REGULATIONS.**

The Municipal Social Welfare and Development Office is hereby mandated to formulate the implementing rules and regulations of this ordinance for its efficient and effective implementation, within sixty (60) days after its effectivity.

**SECTION 9. REPEALING CLAUSE.**

Any ordinance or executive orders, proclamations and administrative regulations or parts thereof which are inconsistent with any of the provisions of this ordinance are hereby repealed or modified accordingly.

**SECTION 10. SEPARABILITY CLAUSE.**

If, for any reason a portion or portions of this Ordinance is declared unconstitutional or invalid, the same shall not affect the validity of the other provisions not affected thereby, pursuant to the provisions of RA 7160 otherwise known as the Local Government Code of 1991.

**SECTION 11. EFFECTIVITY CLAUSE.**

This Ordinance shall take effect after posting and publication in accordance with the provisions of the Local Government Code of 1991.

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*[Multiple handwritten signatures]*



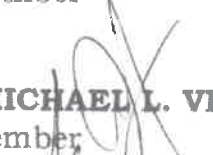
ENACTED BY:

  
**CECILIO C. ECALLA**  
MUNICIPAL VICE MAYOR  
Presiding Officer


CONFORMED BY:

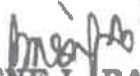
  
**CECILIA L. CABAHUG**  
SB Member

  
**ROLANDO C. PIAMONTE SR**  
SB Member

  
**CARMICHAEL L. VILLARINO**  
SB Member

  
**HOSPICIO B. APACIBLE**  
SB Member

  
**JEROLD T. LUMAPAK**  
SB Member

  
**AILENE L. BASILAN**  
SB Member

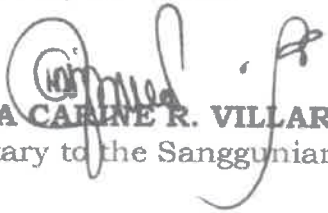
  
**DANTE R. RODAJE**  
SB Member

  
**WILDEGARDO S. ENRIQUEZ**  
SB Member

  
**COURTNEY I. VIOLA**  
SK Fed. President

  
**REM BERYL Y. VELOSO**  
LnB President

I hereby certify to the correctness of the foregoing Municipal Ordinance No. 164 series of 2024 which was duly enacted by the Sangguniang Bayan of San Isidro, Leyte on its 102<sup>nd</sup> Regular Session held on July 22, 2024.

  
**MARIA CARME R. VILLARINO**  
Secretary to the Sanggunian

APPROVED BY:

  
**REMEDIO B. VELOSO**  
Municipal Mayor  
Date approved: 7-26-2024



BAGONG PILIPINAS

Republic of the Philippines  
Region VIII  
Province of Leyte  
**MUNICIPALITY OF SAN ISIDRO**

**16<sup>th</sup> Sangguniang Bayan**

## **CERTIFICATION OF POSTING**

### **TO WHOM IT MAY CONCERN:**

THIS IS TO CERTIFY THAT, **MUNICIPAL ORDINANCE NO. 164 - 2024, "AN ORDINANCE PROHIBITING THE LENDERS/LOAN SHARKS, PANTAWID PAMILYANG PILIPINO PROGRAM (4PS) AND SOCIAL PENSION BENEFICIARIES OF SAN ISIDRO, LEYTE FROM ENGAGING CASH PAWNING USING THEIR CASH CARD OR AUTOMATED TELLER MACHINE (ATM) CARD AS COLLATERAL FOR LOANS, GAMBLING, VICES, AND OTHER FORMS OF FALSE REPRESENTATION AND PROVIDING PENALTIES FOR VIOLATION THEREOF."**, has been posted in three (3) conspicuous places of the Municipality on July 29, 2024 and remain posted to date, in compliance to Art.114 of the Rules and Regulations Implementing the Local Government Code of 1991.

Issued this 29<sup>th</sup> day of July 2024 at San Isidro, Leyte.

**MARIA CARINE R. VILLARINO**  
Secretary to the Sanggunian