

Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City



FIFTEENTH CONGRESS
First Regular Session

HOUSE BILL NO. 1802

Introduced by HONORABLE LUIS R. VILLAFUERTE
and HONORABLE FERDINAND MARTIN G. ROMUALDEZ

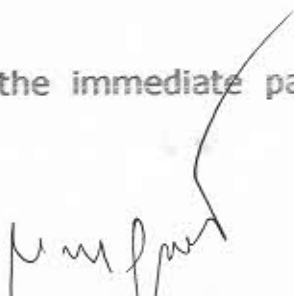
The rapid development of the information and communications technology sector has defined seamless geographical boundaries across nations in the exchange of information through various telecommunications facilities and services. The importance of the products and services offered by this sector is evident in every facet of our society. The emerging digital global economy has integrated into the delivery of business services the use of information and communications technology infrastructures to boost competitiveness of our businesses and enhance the efficiency of our industries. Also, governments throughout the world have devoted efforts towards the development and management of information systems to streamline and improve efficiency in the delivery of basic services to the people. Computer literacy of the labor force has not become a necessity to be participate in the labor market, particularly in industries which heavily utilize electronic equipment and technological machineries.

In the Philippines, Executive Order No. 546 was issued in 1979 to integrate the Board of Communications and the Telecommunications Control Bureau into the National Telecommunications Commission (NTC) under the administrative supervision of the Ministry of Transportation and Communications. The NTC then was mandated "to develop an integrated nationwide transmission system by itself or through or together with other entities in accordance with national and international telecommunications standards to meet all telecommunications requirements."

Since its creation, advancement in the level of new technologies has changed the industry from a monopolistic industry to one that provides consumers with choices and improved access to a number of information and communications technology services. As a number of "new" industry players have emerged in the past years, it has become imperative for the government to provide a regulatory environment to: 1) develop a viable, adequate, efficient, and universal information and communications sector using the best available and affordable technologies; 2) foster a competitive business environment, and fair and efficient market conduct

among industry players; 3) ensure universal access to reliable and affordable services; and, 4) protect the interests and welfare of both of the industry players and the consuming public. This bill seeks to reorganize the NTC by strengthening its existing powers and functions for the agency to cope with the evolving information and communications technology landscape.

In view of the foregoing, the immediate passage of this bill is earnestly sought.



LUIS R. VILLAFUERTE



FERDINAND MARTIN G. ROMUALDEZ

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**AN ACT REORGANIZING THE NATIONAL TELECOMMUNICATIONS
COMMISSION, DEFINING ITS POWERS AND FUNCTIONS,
APPROPRIATING FUNDS THEREFOR, AND FOR OTHER
PURPOSES**

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

1 **SECTION 1. Title.** - This Act shall be known as the "National
2 Telecommunications Commission Reorganization Act of 2010."

3 **SEC. 2. Declaration of Policy.** - The State shall promote the
4 development of high quality information and communications
5 infrastructures and services as vital tools for economic development,
6 nation building and global competitiveness. Towards this end, it is hereby
7 a declared policy of the State to develop a regulatory environment for a
8 viable, adequate, efficient and universal information and communications
9 sector using the best available and affordable technologies; foster a
10 competitive business environment, and fair and efficient market conduct
11 among industry players; ensure universal access to reliable and affordable

1 services; and protect the interests and welfare of both of the industry
2 players and the consuming public.

3 **SEC. 3. Definition of Terms.** - For purposes of this Act, the
4 following terms are hereby defined:

- 5 a. "Authorization" refers to any certificate, permit, license,
6 accreditation, registration, recognition or similar permission
7 granted to a person or entity to lawfully engage in the
8 activities falling under the jurisdiction of the Commission;
- 9 b. "Certificate of Public Convenience and/or Certificate of
10 Authority" (CPC/CA) and "Certificate of Public Convenience
11 and Necessity" (CPCN) both refer to a certificate issued by the
12 Commission in the provision of services that fall within the
13 jurisdiction of the Commission;
- 14 c. "CICT" refers to the Commission on the Information and
15 Communications Technology created under Executive Order
16 No. 269, series of 2004, or its successor agency;
- 17 d. "Commission" refers to the National Telecommunications
18 Commission;
- 19 e. "Frequency" refers to the number of cycles per unit time,
20 usually expressed in Hertz;
- 21 f. "Information and Communication Technology", herein referred
22 to as "ICT", refers to the totality of electronic means to
23 collect, store, process and present information to end-users in
24 support of their activities. It consists, among others, of

1 computer systems, office systems and consumes electronics,
2 as well as networked information infrastructure, the
3 components of which include the telephone system, the
4 internet, fax machines, computers, and other similar devices;

5 g. "Interconnection" refers to the linkage by any means of
6 transmission such as by wire, radio, satellite, microwave
7 channel of networks and services of two or more existing
8 services providers with one another;

9 h. "Legislative Franchise" refers to the franchise issued by
10 Congress authorizing the entity to engage in a certain type of
11 telecommunications, broadcast, cable TV, multimedia and
12 other information and communications infrastructures and
13 services;

14 i. "Radio Spectrum" shall cover radio frequencies from 9 KHz or
15 higher that can be used for broadcast services; and,

16 j. "Universal Access" shall refer to the provision of affordable,
17 accessible, and efficient information and communications
18 infrastructures and services to the widest array of consumers
19 possible.

20 **SEC. 4. Reorganization of the Commission.** - The Commission
21 is hereby reorganized to strengthen its existing organizational structure
22 and capabilities to meet the rapid developments of emerging technologies
23 in the fields of information, communications, broadcast, cable TV and
24 other multi-media infrastructure and services.

1 The Commission shall be attached to the CICT for policy and
2 program coordination, and shall be under the administrative supervision
3 of the same. The Commission shall independently exercise its powers
4 and functions and no other agency shall influence or effect a review or
5 modification of its decisions as a quasi-judicial body. Provided, however,
6 that the decisions of the Commission as a quasi-judicial entity shall be
7 appealed only to the Court of Appeals and the Supreme Court, as
8 provided for by law.

9 **SEC. 5. Jurisdiction.** - The Commission shall have jurisdiction
10 over all persons and entities engaged in the operation and/or provision of
11 information and communications, telecommunications, broadcast, cable
12 TV and other multi-media infrastructures and services. Pursuant thereto,
13 the Commission shall exercise supervisory and regulatory powers over
14 such persons and entities, including program, content and application
15 providers in such infrastructures and services, radio stations and radio
16 training schools, maritime point of service activation, networks or system
17 services, franchise, equipment and other properties, and/or any person
18 using the radio spectrum and other limited resources in communications
19 and information e.g. numbering systems, domain name systems and
20 other related concerns. *Provided,* That telecommunication stations owned
21 and operated by the Armed Forces of the Philippines (AFP) shall be
22 subject to the jurisdiction of the Committee only to the extent that the
23 AFP shall first secure authorization from the Commission to use
24 frequencies relative to the operation of such stations.

1 **SEC. 6. Powers and Functions.** - In addition to the powers
2 already provided for by existing laws, not inconsistent with this Act, the
3 Commission shall have the following powers and functions:

4 (a) Establish standards, specifications, measures, guidelines,
5 rules and regulations that will govern the operations of service
6 providers in the areas of information and communications
7 technology, broadcast, cable TV, and other multi-media
8 infrastructures/services;

9 (b) Issue CPCs/CAs and/or CPCNs to qualified ICT companies,
10 radio and televisions broadcast networks, cable TV operators
11 and other multi-media service providers;

12 (c) Recommend policies for the promotion of ICT, broadcast
13 media or other technologies, as well as any related fields
14 thereto;

15 (d) Administer and implement the Public Telecommunications
16 Policy Act, as amended, and other relevant laws that the
17 Commission is mandated to enforce, including those pursuant
18 to international treaties, conventions and/or agreements
19 which the Philippine government has entered or will enter
20 into;

21 (e) Adopt an administrative process to facilitate the entry of
22 qualified service providers, taking into consideration the
23 competition policies of the government thus enabling the
24 public to gain access to information and communication

1 services and, at the same time, enabling service providers to
2 generate sufficient returns to promote and sustain industry
3 growth;

4 (f) Formulate plans and implement programs to provide better
5 access to ICT, broadcast and other similar services in un-
6 served and/or underserved areas at affordable rates;

7 (g) Provide rules, regulations, guidelines, measures and
8 specifications in accordance with acceptable standards to
9 ensure quality, safety, liability, security, compatibility and
10 interoperability of ICT companies, radio and television
11 broadcast networks, and other multi-media systems and
12 facilities in conformity with national standards and
13 specifications and those set by international radio and
14 telecommunications bodies which the Philippines is a party of;

15 (h) Formulate and implement regulatory policies for the
16 establishment, operation and maintenance of ICT facilities of
17 new and converged services;

18 (i) Prescribe rules, regulations, guidelines, measures and
19 specifications for the following:

20 (i) The setting and imposition of appropriate fees and
21 charges over persons and entities within its jurisdiction,
22 such as:

- 1) Spectrum user fees for all assignees except those assigned to military and public safety services;
- 2) Permits, certificates, registration and license fees;
- 3) Supervision and regulations fees; and,
- 4) Other administrative fees and charges fines and sanctions;

(ii) Determination and prescription of fair and reasonable charges or rates pertinent to the operation of public utility facilities and services, after conducting public hearings or hearings on applications, except when these rates and tariffs are deregulated or established by international bodies or associations where the Philippines is a participating member of, or by bodies recognized by the Philippine government as the proper arbiter of such rates and tariffs.

Subject to the provisions of R.A. No. 7925 and such other laws as may be promulgated, except where deregulation has been authorized, rates and other charges of public services shall be submitted to the Commission for its approval and the Commission shall, after public hearing, render a decision, ruling or order on said rates by:

1 and services entities form unfair practices or other
2 barriers;

3 (v) The implementation of a responsive and more effective
4 use of information and communications facilities and
5 services taking into consideration existing and emerging
6 technologies; and,

7 (vi) The protection of consumers against inadequate
8 satisfactory service, any illegal activity and/or the
9 misuse or abuse of any entity's monopolistic or quasi-
10 monopolistic powers and anti-competitive practices
11 through, but not limited to, the conduct of
12 investigations of complains and the exaction of
13 compliance from the providers to conform with service
14 standards.

15 (j) Establish, prescribe and regulate areas of operation of public
16 services/utilities, their equipment and other properties in
17 accordance with their legislative franchise and their
18 certificates, licenses, registration, accreditation and other
19 authorizations;

20 (k) Require, consistent with due process, any public service to
21 provide access to and the use of its facilities and services,
22 including the interconnection with or the attachment to its
23 facilities or equipment, on such terms and conditions and the

1 payment of compensation, as the Commission may determine
2 and approve;

3 (l) Allocate, sub-allocate and reallocate radio frequencies, and
4 adopt frequency plans and standards based on the
5 International Telecommunications Union regulations to
6 promote growth and development of the sector;

7 (m) Assign radio frequencies, grant permits and licenses for the
8 use of the radio spectrum or such other limited resources to
9 authorized person or entity essential for the efficient
10 operation of any facility, station, networks and services:
11 *Provided, That any application under this subsection shall be*
12 *acted upon by the Commission within ninety (90) days from*
13 *the time of filing thereof;*

14 (n) Maintain a complete, and ensure the safety and integrity of,
15 records of issued certificates, licenses, permits, registers,
16 allocated and assigned frequencies and such other
17 authorizations or activities of the Commission essential to
18 planning, monitoring and enforcement of the powers of the
19 Commission;

20 (o) Ensure and monitor the compliance by persons and entities of
21 their franchises, certificates, permits, accreditations,
22 registrations, certifications, licenses and other existing laws,
23 rules and regulations, technical programs and performance
24 standards, or terms and conditions of their authorizations;

- 1 (p) Impose fines and penalties on persons and entities that
2 operate without authorization or violate the terms and
3 conditions of any authorization issued by the Commission:
4 *Provided*, that the fine may be in an amount as may be
5 deemed appropriate by the Commission but shall not exceed
6 Fifty Million Pesos (P50,000,000.00);
- 7 (q) Upon the issuance of proper notice and the conduct of public
8 hearings, suspend, cancel or revoke any authorization of
9 service providers who violate the rules and regulations set by
10 the Commission: *Provided*, that, when national security,
11 public safety, welfare or interest so requires, the Commission
12 may order immediate suspension of operations, and
13 subsequently hold a hearing within five (5) days from the
14 promulgation of the order of suspension;
- 15 (r) Monitor and enforce rules and regulations including the
16 investigation of all persons or entities under the jurisdiction of
17 the Commission: *Provided*, that in the exercise of its police
18 powers and in accordance with due process, the Commission
19 may confiscate equipment and/or effect closure of any office,
20 station or sub-station whose operations are found to be in
21 violation of existing laws, rules and regulations or its
22 franchises: *Provided, further*, that, in case of closure, the
23 Commission may take remedial action to allow for temporary

1 operations by a qualified service provider in the interest of
2 public service;

3 (s) Regulate radio training schools, the conduct of qualifying
4 examinations and issue certification for qualified radio
5 technicians and operators in accordance with laws,
6 international conventions and treaties, or regulation where
7 the Philippines is a signatory;

8 (t) Establish and administer appropriate human resource
9 programs, including the establishment of training centers to
10 enhance human resources capacity building initiatives;

11 (u) Direct, authorize or order another grantee of a certification or
12 authorization to temporarily operate the business of a grantee
13 whose certificate has been suspended, cancelled or revoked
14 for cause: *Provided*, that the certificate of a grantee who
15 unjustifiably discontinues or abandons his service for
16 whatever reason for a period longer than thirty (30) days,
17 causing irreparable damage or serious inconvenience to the
18 public shall be suspended: *Provided, further*, the
19 Commission may take appropriate action to address such
20 situation and, in accordance with due process, may approve
21 or award new applications for certification or authorization:
22 *Provided, furthermore*, that, in case of mere suspension, and
23 the grantee has effected remedial measures within six (6)
24 months from the suspension, the Commission may reverse its

1 decision to suspend and thereafter reinstate its prior
2 authorization to allow said grantee to operate the business
3 again: *Provided, furthermore,* that if the period of six (6)
4 months has lapsed and no remedial measures have been
5 effected, the certificate of authorization shall be permanently
6 revoked: *Provided, finally,* that a grantee whose certificate
7 has been revoked may re-apply but shall be treated as a new
8 applicant;

9 (v) Mandate a fair and reasonable interconnection of systems,
10 stations, networks, facilities and/or services of authorized
11 network operators and other providers through appropriate
12 modalities of interconnection that provides a reasonable and
13 fair level of charges, so as to provide the most extensive
14 access, availability and affordability to the public, and ensures
15 that no single player interest controls access to facilities and
16 services;

17 (w) Directly intervene, enjoin speedy settlement through
18 alternative dispute resolution mechanisms and impose
19 judgment on on-going and protracted disputes involving
20 interconnection among service providers, including the final
21 approval of any interconnection agreements;

22 (x) Promulgate rules and procedures for the conduct of its
23 proceedings and in arriving at decisions or orders;

- 1 (y) Summarily punish for contempt by a fine not exceeding five
2 thousand pesos (₱5,000.00) or by imprisonment not
3 exceeding thirty (30) days or both, any person guilty of
4 misconduct in the presence of the Commission or seriously
5 interrupting any hearing or session or any proceeding before
6 it, including cases in which a person wilfully fails or refuses,
7 without just cause, to comply with summons, subpoena ad
8 *testificandum*, subpoena *duces tecum*, injunctions, decisions
9 or orders, rules and regulations legally issued or promulgated
10 by the Commission, or being present at a hearing, session or
11 investigation, refuses to be sworn as a witness or to answer
12 questions when lawfully required to do so, or to furnish
13 information required by the Commission. The police agencies
14 of the place where the hearing or investigation is conducted
15 shall, upon the request of the Commission, assist in enforcing
16 the provisions of this section;
- 17 (z) Require any public service or utility to produce before the
18 Commission any and all records, data, statistics and
19 documents deemed proper or necessary in the exercise of its
20 powers and functions, and cite for contempt, direct or
21 indirect, any person who fails or refuses to comply with any
22 lawful order of the Commission;

- 1 (aa) Enlist the aid and support of any and all enforcement agencies
2 of the Government, as well as the private sector in the
3 implementation of its powers and functions under this Act;
- 4 (bb) *Motu proprio* inspect, or through duly authorized
5 representatives, the operations, premises, books of accounts
6 and records of any person or entity at any reasonable time, in
7 the exercise of its quasi-judicial power for purposes of
8 determining the existence of any anti-competitive behavior
9 and/or market power abuse and any violation of rules and
10 regulations issued by the Commission;
- 11 (cc) Approve the application for relevant authorization or
12 certification by all the operators of information and
13 communications, radio, broadcast, cable TV and other multi-
14 media facilities, stations, systems or networks and services
15 including radio schools after the submission of the following:
- 16 (i) The amount, terms and conditions of each proposed
17 issue, sale or other disposition of its capital stocks if the
18 issuance, sale or disposition would result in:
- 19 1) A sale to any other public service or any
20 corporation, domestic or foreign which vest in
21 such one person or entity, more than forty
22 percent (40%) of its subscribed capital stock; or,

- 1 2) A sale or transfer to any alien which results to a
2 reduction to less than sixty percent (60%) of the
3 capital stock belonging to Philippine citizens.
- 4 (ii) The terms and conditions of each proposed contract or
5 agreement for the interconnection of systems, facilities,
6 networks and services;
- 7 (iii) Any contract or arrangement entered into between
8 operators and program/content providers which tends
9 or aims to exclude, inhibit and frustrate the ability to
10 offer diverse programs for a wider variety of choices
11 and diversity of programming to the subscribing public;
12 and,
- 13 (iv) Any contract, agreement, reports as may be prescribed
14 by the Commission from time to time;
- 15 (dd) Require public service time through broadcasting stations,
16 including cable TV, operators, to assist the government on
17 public information and education;
- 18 (ee) Perform such other powers and functions as may be
19 prescribed by law, as well as those that which may be implied
20 from or are incidental to the carrying out of the powers
21 granted to the Commission; and,
- 22 (ff) Issue orders, rules and regulations and other issuances as
23 may be necessary to ensure the effective implementation of
24 the provisions of this Act.

1 **SEC.7. Composition.** - The Commission shall be a collegial body
2 of three (3) Commissioners, composed of a Chairperson and two (2)
3 Commissioners, all of whom shall be appointed by the President of the
4 Philippines upon the recommendation of the Chairman of the CICT.

5 (a) *Tenure of Commissioners.* The Commissioners shall have a fixed
6 term of five (5) years with an option to be reappointed for
7 another term of five (5) years: *Provided*, that for the first set of
8 appointees, the Chairperson shall hold office for five (5) years,
9 one (1) Commissioner shall serve for three (3) years, and the
10 other Commissioner for one (1) year: *Provided, further*, That
11 any appointment to any future vacancy shall only be for the
12 unexpired terms of the predecessor: *Provided, finally*, That in
13 no case shall any Commissioner serve for more than two (2)
14 terms in the Commission.

15 The Commissioner shall enjoy security of tenure and shall
16 neither be suspended nor removed except for just cause in
17 accordance with the law.

18 (b) *Remuneration of Commissioners.* The Commissioners shall be
19 entitled to the same salary, allowance and benefits, including
20 retirement, as those of the Justices of the Court of Appeals,
21 except for the Chairperson who shall have the rank of the
22 Presiding Justice of the Court of Appeals.

23 (c) *Qualifications of Commissioners.* The Commissioners must be
24 residents and citizens of the Philippines, at least 35 years of age,

1 of good moral character, of known probity and unquestionable
2 integrity, with recognized competence in the field of the
3 information and communications technology and, with at least
4 five (5) years of actual and distinguished experience in the
5 respective fields of expertise: *Provided*, that one of the
6 Commissioners shall preferably be a member of the Philippine
7 Bar, another a licensed electronics and communications engineer
8 (ECE), and the third an economist or a graduate of any relevant
9 profession.

10 (d) *Powers of the Commissioners.* All powers vested upon the
11 Commission shall be vested on the Commissioners sitting as
12 collegial body. Hearings may be conducted by any of the
13 Commissioners, individually or jointly, or by Hearing Officers
14 duly authorized or delegated to hear such cases. A majority
15 vote shall be required to reach a decision, ruling or order of the
16 Commission.

17 Notwithstanding the foregoing provision, the Chairperson may
18 provisionally approve or decide on immediate cases involving the
19 fixing of rates or charges: *Provided*, that hearing will be
20 scheduled within thirty (30) days from the grant thereof.

21 The Chairperson shall also be the Chief Executive Officer of
22 the Commission and shall provide the general executive
23 direction and supervision of the operations and activities of the
24 Commission, its bodies, boards, offices, and personnel.

1 **SEC. 8. Regional Offices.** - The Commission shall be authorized
2 to establish, operate, and maintain Regional Offices as the need arises.
3 The regional office shall be headed by a Regional Director, who shall be
4 appointed by the President of the Philippines upon the recommendation of
5 the CICT.

6 Such regional offices shall function as line organization which shall
7 be responsible for the following:

- 8 (a) implementation of laws, policies, projects, plans, rules and
9 regulations of the Commission;
- 10 (b) supervision and inspection of the operation of radio,
11 television, cable TV and telecommunication networks, station,
12 systems, facilities and services;
- 13 (c) Regulation and control of communications, CABLE TV and
14 broadcast services;
- 15 (d) Conduct of hearings on consumers' complaints and
16 administrative cases;
- 17 (e) Issuance of permits, licenses and certificates, including the
18 conduct of examination and licensing of qualified operations;
19 and,
- 20 (f) Such other functions as may be assigned to them.

21 **SEC. 9. Fiscal autonomy.** - The Commission shall enjoy fiscal
22 autonomy. Its appropriation may not be reduced below the amount
23 appropriated for the previous year and after approval, shall be
24 automatically and regularly released. The Commission may re-align

1 allocations to supplement any insufficient or inadequate appropriation as
2 may be necessary to effectively discharge its duties.

3 Thirty percent (30%) of the total supervisory and regulatory fees
4 (SRF) collected by the Commission under Section 6(i) of this Act shall
5 constitute receipts automatically appropriated for a period of five (5)
6 years from the effectivity of this Act, to be used by the Commission to
7 augment its resources to fund its operations and activities pursuant to its
8 mandate.

9 *Provided, that all moneys appropriated and earned by the*
10 *Commission shall be utilized solely for its operations and shall be subject*
11 *to DBM budget rules and regulations.*

12 **SEC. 10. Compensation and Emoluments of Personnel.** - All
13 positions of the Commission requiring technical proficiency and expertise
14 shall be governed by a compensation comparable to the private sector
15 and position classification systems and qualification standards approved
16 by the Commission, in consultation with the Civil Service Commission
17 (CSC) and the Department of Budget and Management (DBM) based on a
18 comprehensive job analysis and audit of actual duties and responsibilities.
19 The compensation plan shall be subject to periodic review by the
20 Commission, the CSC and the DBM no more than once every two (2)
21 years without prejudice to merit reviews or increases based on
22 productivity and efficiency.

23 The compensation and other emoluments for personnel with high
24 level of expertise and proficiency shall be exempted from the coverage of

1 R.A. No. 6758, otherwise known as the "Salary Standardization Act." For
2 this purpose, the schedule of compensation of personnel with high level of
3 expertise and proficiency as determined by the Commission, in
4 consultation with the CSC and the DBM, shall be submitted for approval
5 by the President of the Philippines. The new schedule of compensation
6 shall be implemented within six (6) months from the effectivity of this Act
7 and may be upgraded by the President of the Philippines as the need
8 arises: *Provided*, That in no case shall the rate be upgraded more than
9 once a year.

10 **SEC. 11. *Enhancement of Technical Competence.*** - The
11 Commission shall establish a rigorous training program, to include the
12 setting up of training center, for its personnel to enhance the technical
13 and regulatory competence of the Commission in the monitoring and
14 enforcement of laws, orders, rules and regulations of the Commission,
15 and the compliance thereof.

16 **SEC. 12. *Annual Report.*** - The Commission shall submit an
17 annual report to both Houses of Congress not later than April 30 of each
18 year, to include specific goals, objectives, accomplishments, plans and
19 priorities of the Commission for the next five (5) years, as well as
20 recommendations for legislative action to enable the Commission to
21 achieve its objectives; and such other data as may be required from time
22 to time.

23 **SEC. 13. *Funding.*** - In addition to the sums to be appropriated
24 for the Commission under the General Appropriations Act for the Fiscal

1 Year following the approval of this Act, any savings in the appropriation of
2 the Commission and fees collected by the Commission for the current
3 fiscal year may also be used to implement the provisions of this Act.
4 Thereafter, the amount needed for such purpose shall be included in the
5 subsequent annual General Appropriations Acts, or through special
6 appropriations.

7 **SEC. 14. *Transitory Provisions.***

8 (a) Within ninety (90) days after the approval of this Act, the
9 Commission shall draw the new structure and staffing pattern
10 necessary to carry out the powers and functions of the newly
11 organized Commission, in consultation with the CSC and the
12 DBM, to be submitted to the CICT Secretary for approval.

13 (b) The current Commissioners and existing personnel shall
14 continue to hold office until approval of the staffing pattern and
15 new appointments are issued.

16 (c) Any personnel, whose positions are not included in the new
17 position structure and the duly approved staffing pattern, shall
18 be deemed separated from the service. The officials and
19 employees who are or wish to be separated as a result of the
20 implementation of this Act shall be entitled to one and a half
21 month separation pay for every year of service: *Provided*, that
22 they have rendered continuous service in the Commission for at
23 least ten (10) years: *Provided, further*, that for officials and
24 employees with the Commission for the last five (5) years, they

1 shall be entitled to three (3) months separation pay for every
2 year of service and all other benefits accruing to them under the
3 laws of general application enforced at the time of their
4 separation.

5 (d) All regular and permanent employees who shall be affected by
6 this Act shall not suffer any loss of seniority or rank or decrease
7 in emoluments.

8 **SEC. 15. *Repealing Clause.*** - All laws, decrees, executive
9 orders, rules and regulations and other issuances or parts thereof which
10 are inconsistent with this Act are hereby repealed, amended or modified
11 accordingly.

12 **SEC. 16. *Separability Clause.*** - If any of the provisions of this
13 Act shall be declared unconstitutional or invalid, the other provisions not
14 otherwise affected shall remain in full force and effect.

15 **SEC. 17. *Effectivity Clause.*** - This Act shall take effect
16 immediately upon its approval.

Approved,