

Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City, Metro Manila

Sixteenth Congress
Second Regular Session
House Bill No. **5335**



Introduced by Honorable Roy M. Loyola

EXPLANATORY NOTE

The latest trend in information technology particularly in the field of telecommunications is greatly felt in our country. Almost every Filipinos nowadays, own and use cellular phones. With the use of this instrument, business transactions as well as everyday living have become more effective and efficient. One reason that may be attributed to the popularity of cellular phones among us Filipinos is the system of text messaging that earned us the monicker the texting capital of the world.

However, majority if not all cellular phone owners prefer to use the pre-paid subscriber identity module (SIM) card. Not only is this pre-paid subscriber identity module (SIM) card easily accessible, i.e., it can be bought almost everywhere, the owners thereof can likewise easily evade detection since prepaid SIMs are virtually undetectable. Due to this, unscrupulous individuals almost always take advantage of the same in the pursuit of their criminal activities to the detriment not only of a particular interest but that of the whole nation.

The proposed bill therefore seeks to address the above-mentioned problem being brought about by the proliferation of pre-paid subscriber identity module (SIM) card. It provides for a system of regulating the sale and/or disposition of pre-paid SIM cards and also puts into place the procedure to be followed if a member of the law enforcement agency and/or officer would like to retrieve information concerning the owner of a pre-paid SIM card that had been used in a criminal or illegal activity without prejudice to the rights of the registered owner under existing law. With this in mind, it is hoped that the proposal would contribute in one way or the other, in providing solution to our recurrent peace and order problem.

Every new technology carries with it tremendous responsibility. The technology should be used for the advancement of the interest of all and not only of a chosen few. It therefore becomes our imperative duty as lawmakers to ensure that the benefits we derive for this technology should be used properly and not abused by some segments of our society.

It is for this reason and the advancement of the common good that early passage of this bill is earnestly sought.


ROY M. LOYOLA

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AN ACT
REGULATING THE SALE OF PRE-PAID SUBSCRIBER IDENTITY
MODULE (SIM) CARDS, PROVIDING PENALTY FOR VIOLATION
THEREOF AND FOR OTHER PURPOSES

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

SECTION 1. *Title.* - This Act shall be known as the “*Pre-paid Subscriber Identity Module (SIM) Cards Regulations Act of 2014*”.

SECTION 2. *Declaration of Policy.* - The State recognizes the vital role of communication and information in nation building. The introduction of modern telecommunications technology with the view of providing the widest information dissemination is greatly encouraged. The possession of the most modern technology though, carries with it tremendous responsibility. Mechanism for its effective use for the good of all and not for an illegal or malicious purpose to benefit a few must be installed. Towards this end, the State shall regulate the use and sale of pre-paid subscriber identity module (SIM) card for cellular phone users only to persons who shall comply with the requirements herein set forth.

SECTION 3. *Registration Requirement.* - All persons desiring to own and/or use pre-paid subscriber identification module (SIM) card for cellular phones shall, before the actual purchase thereof, prepare and accomplish before any corporation, partnership, single proprietorship authorized to deal and/or sell the said product a registration form which shall contain the following information:

- (a) Full name and complete address of the buyer which shall be accompanied by any of the following documents, to wit:
1. A Valid Identification Card with photograph;
 2. A Valid Passport;
 3. Driver's License;
 4. Social Security System Identification Card;
 5. Company Identification Card;
 6. Government Service Insurance System identification Card;
 7. Voter's Identification Card;

8. Senior's Citizen Card;
9. School Identification Card

(b) The telephone number of the Pre-paid Subscriber Identity Module (SIM) Card that will be issued.

SECTION 4. *Recording by the Corporation, Partnership, Single Proprietorship or Authorized Dealer and the Telecommunications Service Provider.* - The corporation, partnership or single proprietorship authorized to deal and/or sell pre-paid subscriber identity module (SIM) card shall keep a record of the names and other data of all persons who purchased a pre-paid subscriber identity module (SIM) card. A certified copy of the registration and/or information sheet prepared by the would-be buyer shall then be transmitted to the Telecommunication Service Provider who shall file and keep a record of the same in a data base to be created for the purpose.

The copy of the registration and/or information sheet submitted to the Telecommunications Service Provider shall be certified to by the President, General Manager, Treasurer or any other responsible officer of the corporation or partnership, or the owner in case of single proprietorship authorized to deal and/or pre-paid subscriber identity module (SIM) card.

SECTION 5. *Inquiry into the Telecommunications Service Provider's Database.* - If the user of a cellular phone with pre-paid subscriber identity module (SIM) card shall use the same in the commission of a crime or for any malicious fraudulent or illegal purpose, a court of competent jurisdiction may, by written order, authorize the appropriate law enforcement authority to look into the records of the owner of the pre-paid subscriber identity module (SIM) card used in the commission of the above-mentioned acts with the Telecommunications Service Provider keeping records of the same: *Provided, That,* such written order shall only be granted upon application in writing of any law enforcement agency and/or officer and only upon examination under oath or affirmation of the applicant and the witnesses he may produce and upon the court being satisfied that: (1) there is reasonable ground to believe that the pre-paid subscriber identity module (SIM) card has been used in the commission of a crime or for a malicious, fraudulent or illegal purpose; (2) that there is reasonable ground to believe that the owner of the said pre-paid subscriber identity module (SIM) card is probably the perpetrators of the same and (3) there is no other speedy and adequate means readily available to obtain such facts and information.

The written order issued by the court for this purpose shall specify: (1) the name of the law enforcement agency and/or officer authorized to look into the data base of the Telecommunications Service Provider; (2) instruct the Telecommunications Service Provider to furnish the information requested; (3) direct the law enforcement agency and/or officer to use the information obtained in accordance with the written application and (4) specify the period of the

written order which shall not exceed thirty (30) days unless extended or renewed by the court issuing the same upon good cause shown.

SECTION 6. *Telecommunications Service Provider's Report.* - The Telecommunications Service Provider to whom the records of all purchases of pre-paid subscriber identity module (SIM) card has been forwarded by the corporation, partnership or single proprietorship authorized to deal and/or sell the same shall forthwith prepare duplicate copies of its record containing the names and other data of all registered owners of pre-paid subscriber identity module (SIM) card. The duplicate copies of its record shall be furnished the National Telecommunications Commission and the Bureau of Internal Revenue.

SECTION 7. *Penal Provisions.* - (a) *For Failure to Comply with the Registration Requirement:* Any corporation, partnership, single proprietorship or any authorized dealer of pre-paid subscriber identity module (SIM) card who shall commit a violation of Sec. 3 hereof shall suffer the following penalties:

- i. A fine of twenty-five thousand pesos (P 25,000.00) for the first offense;
- ii. A fine of fifty thousand pesos (P 50,000.00) for the second offense;
- iii. A fine of one hundred thousand pesos (P100,000.00) for the third offense and imprisonment from six months and one day to four years. In addition, the license or authority of the corporation, partnership, single proprietorship or the authorized dealer shall likewise be revoked or cancelled; Provided, That, the penalty of imprisonment shall be imposed on the President, General Manager, Treasurer or other responsible officer of the corporation or partnership or the owner in case of a single proprietorship.

(b) *For failure to keep record.* - The penalty of imprisonment ranging from thirty days and one day to six months or a fine of fifty thousand pesos (P50,000.00) shall be imposed upon the President, General Manager, Treasurer or other responsible officer of the corporation or partnership or the owner in case of a single proprietorship who shall commit a violation of Sec. 4 hereof.

(a) *Breach of Confidentiality.* - The penalty of imprisonment ranging from four years and one day to six years or a fine of fifty thousand pesos (P 50,000.00) shall be imposed upon any employee of the corporation, partnership or single proprietorship authorized to deal and/or sell pre-paid subscriber identity module (SIM) card or the Telecommunications Service Provider who shall reveal the name of the registered owner of a pre-paid subscriber identity module (SIM) card which is not in accordance with the provisions of Sec. 5 hereof.

The same penalty shall be imposed upon any employee of the Telecommunications Service Provider who, despite the written order issued by a competent court, shall refuse the law enforcement agency and/or officer access to the information specified in said written order.

SECTION 8. *Implementing Rules and Regulations.* - Within sixty days from the approval of this Act, the Department of Justice in coordination with the National Telecommunications Commission shall issue the necessary rules and regulations to implement its provisions.

SECTION 9. *Separability Clause.* - If, for any reason, any provision or section of this Act shall be held to be unconstitutional or invalid, the other provisions or sections hereof which are not affected thereby shall continue to be in full force and effect.

SECTION 10. *Effectivity.* - This Act shall take effect fifteen (15) days after the completion of its publication in the Official Gazette or in at least two (2) newspaper of general circulation.

Adopted,