

Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City

SEVENTEENTH CONGRESS
First Regular Session

HOUSE BILL NO. **5591**



Introduced by **HON. GUS S. TAMBUNTING**

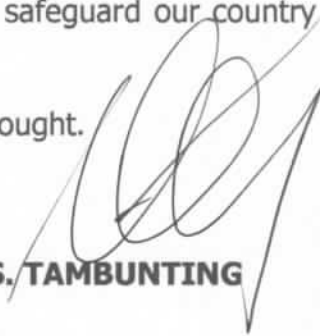
EXPLANATORY NOTE

This bill seeks to register all prepaid Subscriber Identity Module (SIM) Card being used today.

With the advancement of technology and continuous marketing strategies on improving and innovating product usage and product acquisition, a set of regulatory rules should be placed to monitor such and make sure that they will not be used illegally or to harm other people.

The use of cellular phone nowadays is very vital for communication, business, research and other activities. But unfortunately, others have also used the same for devious and evil purposes. That is why the undersigned sees the SIM card registration as a deterrent for these illegal activities and will provide as a tool to help safeguard our country and prevent the occurrence of crimes.

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


GUS S. TAMBUNTING

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AN ACT
REQUIRING THE MANDATORY REGISTRATION OF ALL THOSE WHO
PURCHASE AND/ OR USE OF PREPAID SUBSCRIBER IDENTITY MODULE
(SIM) CARDS

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

SECTION 1. *Short Title.* – This Act shall be known as the "Subscriber Identity Module (SIM) Card Mandatory Registration Act of 2017".

SECTION 2. *Declaration of Policy.* – The State recognizes the importance of information and communications technology towards nation building. Modern technology has made communication, information dissemination and gathering very easy and handily nowadays. It has brought ease and comfort to a lot of people but not all with good intentions. With the advent of every new technology comes a great responsibility to use it for the good. It is toward this end that the State shall require all prepaid subscriber identity module (SIM) cards to be registered upon purchase as to prevent the usage of such in illegal activities.

SECTION 3. *Definition of Terms.* – As used in this Act:

- (a) Direct seller refers to a person or entity who directly dispenses or sells a SIM card to an end user;
- (b) End user refers to any individual/subscriber who directly purchases a SIM card from a direct seller for personal use;
- (c) Postpaid mobile phone refers to a mobile phone, the service of which is provided by a prior arrangement with a public telecommunications entity and the user thereof is billed at the end of the monthly billing cycle according to the use of mobile services;
- (d) Prepaid mobile phone refers to a mobile phone for which credit is purchased in advance of service use. The purchased credit is used to pay for mobile phone

services at the point the service is accessed or consumed. If there is no available credit then access to the requested service is denied;

- (e) Public Telecommunications Provider or PTP refers to any duly enfranchised and authorized public telecommunications entity that offers voice, short messaging system (SMS/text), mobile data, value-added services (VAS) or any other telecommunications services to the public for a fee;
- (f) SIM card refers to the SIM which is an integrated circuit that securely stores the international mobile subscriber identity and the related key used to identify and authenticate subscribers on mobile telephony devices, such as mobile phones and computers. A SIM card is a removable plastic card into which a SIM circuit is embedded, and can be transferred between different mobile devices; and
- (g) SIM card registration refers to the process of registering the identity of the buyer of the SIM card as well as the number of the card which was purchased from a PTP or direct seller, including the subscriber's photograph, name, date of birth, gender and address.

SECTION 4. *Sale and Registration of SIM cards.* – Every direct seller shall require the end user of a SIM card to present a valid identification with photo to ascertain the latter's identity. The direct seller shall further require the end user to accomplish and sign a control numbered registration form issued by the respective PTP of the SIM card being purchased. The registration form shall include an attestation by the end user that the person personally appearing before the direct seller and the identification documents presented are true and correct and that the person is one and the same who has accomplished and signed the registration form. Except in cases where the PTP is the direct seller, the accomplished registration form must be submitted to the concerned PTP within fifteen (15) days from the date of sale. The confidentiality clause in the SIM card registration under Section 9 hereof shall start to apply at the point of sale. An end user who does not produce valid identification with photo, and fails to accomplish a registration form in accordance with the preceding paragraph shall be refused the sale of a SIM card by the direct seller. The direct seller shall only issue the SIM card to the end user after compliance with the requirements mentioned above and in the succeeding sections.

SECTION 5. *Representative Registration of SIM Cards.* – A person who wants to purchase a SIM card but cannot personally register with the direct seller may, for valid reason, authorize another to register on that person's behalf, subject to the following conditions: (a) the representative is authorized through a duly notarized Special Power of Attorney; and (b) the principal and the representative should present an original and a true and clear copy of any of the valid identification cards with photo listed in Section 6(a) hereof. In case the person intending to purchase a SIM card is a minor, the parents or guardian shall be required to give their express consent in writing, and submit the same with the registration form and valid identification cards with photo of both the minor and the parents or guardian. The direct seller may deny the request for representative registration after an assessment that the reason given therefor is not valid or that the identification cards or their true copies are not authentic or sufficient.

SECTION 6. *Coverage of Registration.* – All direct sellers are hereby mandated to register pertinent data in a registration form devised for the purpose, to include the following information and requirements:

- (a) Full name and complete address of the end user appearing in a valid government-issued identification document with photo. In view thereof, SIM card end users shall be required to present the original and submit a true and faithful reproduction or photocopy of any of the following government identification documents with photo:

- (1) Driver's License;
 - (2) Social Security Service/Government Service Insurance System (SSS/GSIS) Card;
 - (3) Passport;
 - (4) Senior Citizen's Card;
 - (5) Person with Disabilities Card;
 - (6) National Bureau of Investigation (NBI) Clearance;
 - (7) Police Clearance;
 - (8) Firearms License;
 - (9) Voter's Identification Card;
 - (10) Taxpayer's Identification Number (TIN);
 - (11) Professional Regulation Commission (PRC) Identification Card;
 - (12) Government Office Identification Card;
 - (13) School Identification Card (in case of a minor); and
 - (14) Other Government-issued Identification Cards
- The direct seller may make further inquiries or require the submission of additional identification if necessary, and withhold the sale of the SIM card pending compliance with the additional requirements.

- (b) Assigned cell phone number of SIM card(s) and serial number/s.

SECTION 7. *Submission of Registration Form.* – The registration form required under Section 6 of this Act shall be accomplished in triplicate, and shall be forwarded by the direct seller to the concerned PTP. The concerned PTP shall submit a copy of the duly accomplished registration form to the National Telecommunications Commission (NTC) within fifteen (15) days from the date of sale or receipt of such form from their respective direct sellers. The required registration form and the copies thereof shall be certified by either the President, General Manager, Treasurer, Secretary or any other duly appointed officer of the PTP or direct seller, as the case may be.

SECTION 8. *Submission of Verified List of Dealers or Agents.* – The PTPs shall submit to the NTC, within thirty (30) days from the date of effectivity of this Act, a verified list of their current authorized dealers or agents nationwide. Thereafter, the PTPs shall submit to the NTC every quarter of each year an updated list of the same.

SECTION 9. *Confidentiality Clause.* – Any information in the SIM card registration shall be treated as absolutely confidential, unless upon written consent of the subscriber: Provided, That the waiver of absolute confidentiality shall not be made as a condition for the approval of subscription agreements with the PTPs.

SECTION 10. *Disclosure of Information.* – Notwithstanding the provisions of Section 9 hereof, the PTPs shall be required to provide information contained in the SIM card registration only upon order of a competent court 6 upon finding of probable cause that a particular number is used in the commission of a crime or that it was utilized as a means to commit an unlawful act.

SECTION 11. *SIM Card Registry.* – All PTPs are required to submit an updated SIM Card Registry of their subscribers to the NTC every six (6) months of both postpaid and prepaid mobile phone users, and maintain a record containing information required under Section 6 of this Act. In case of loss or any change in the information after the acquisition of the SIM card, the subscriber must notify the PTPs within thirty (30) days from such loss or change. The concerned PTP in return must notify the NTC of such loss or change in the information within fifteen (15) days from receipt of notification from the subscriber. All PTPs are required to keep the data of their subscribers and the NTC shall see to it that these data be kept with utmost confidentiality as provided for under Section 9 of this Act and in accordance with existing laws.

SECTION 12. *Registration of Existing Prepaid Mobile Phone Subscribers.* – All existing mobile phone subscribers with prepaid SIM cards are required to register with their respective PTP within one hundred eighty (180) days from the effectivity of this Act. Such deadline may be extended by the NTC but shall not be longer than one hundred twenty (120) days, upon a valid written request. Failure to register within the prescribed period shall authorize the PTP to automatically deactivate its services to the specific existing prepaid SIM card subscriber.

SECTION 13. *Penalties.* – The following penalties shall be imposed for violation of any provision of this Act:

- (a) If the offense is committed by a PTP, the Company, its President and other executive officers shall be held liable and the following penalties shall be imposed:
 - (1) First offense: A fine of three hundred thousand pesos (P300,000.00);
 - (2) Second offense: A fine of five hundred thousand pesos (P500,000.00); and
 - (3) Third and subsequent offenses: A fine of one million pesos (P1,000,000.00) for every offense.
- (b) If the offense is committed by the direct seller:
 - (1) First offense: A fine of ten thousand pesos (P10,000.00) and suspension of license to operate for fifteen (15) days;
 - (2) Second offense: A fine of fifteen thousand pesos (P15,000.00) and suspension of license to operate for twenty (20) days; and

(3) Third and subsequent offenses: A fine of twenty thousand pesos (P20,000.00) and a suspension of license to operate for one (1) month for every offense.

SECTION 14. *Implementing Rules and Regulations (IRR).* – Within sixty (60) days from the effectivity of this Act, the NTC, the Department of Information and Communications Technology (DICT), in coordination with concerned agencies, shall promulgate the rules and regulations and other issuances as may be necessary to ensure the effective implementation of this Act.

SECTION 15. *Separability Clause.* – Should any part of this Act be declared unconstitutional or invalid, other provisions hereof not affected thereby shall continue to be in full force and effect.

SECTION 16. *Repealing Clause.* – All laws, decrees, executive orders, proclamations, rules and regulations, and issuances or parts thereof which are inconsistent with the provisions of this Act, are hereby repealed, amended or modified accordingly.

SECTION 17. *Effectivity.* – This Act shall take effect fifteen (15) days after its complete publication in two (2) newspapers of general circulation.

Approved,