

Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City
TWENTIETH CONGRESS
First Regular Session



House Bill No. 934

Introduced by **Hon. Bernadette S. Barbers**

AN ACT
REQUIRING SOCIAL MEDIA PLATFORMS TO SECURE A LEGISLATIVE
FRANCHISE TO OPERATE WITHIN THE COUNTRY, PROVIDING PENALTIES FOR
VIOLATIONS THEREOF, AND FOR OTHER PURPOSES

EXPLANATORY NOTE

The rapid expansion of social media platforms has transformed communication, commerce, and public discourse. While these platforms have provided numerous benefits, they have also posed serious challenges, including the spread of disinformation, cybercrime, online exploitation, data privacy breaches, and threats to national security. Given their profound impact on society and governance, it is imperative to establish a legal framework that ensures accountability, compliance with national laws, and protection of the public interest.

At present, social media platforms operate within the country with minimal regulatory oversight. Unlike telecommunications companies, broadcast networks, or public utilities, these digital platforms wield significant influence without being subjected to direct congressional authority. This bill seeks to address this regulatory gap by requiring social media companies to secure a legislative franchise before they can legally operate in the Philippines.

The proposed measure mandates that social media platforms obtain congressional approval through a franchise system, similar to other critical industries. The franchise shall be subject to conditions ensuring adherence to data privacy laws, cybersecurity policies, content moderation standards, and cooperation with law enforcement agencies. It also requires social media companies to establish a local office, register as a business entity, and pay appropriate taxes to contribute to the national economy.

Furthermore, the bill provides clear grounds for the suspension, revocation, or non-renewal of a franchise if a platform is found to be operating against the public interest, engaging in harmful practices, or failing to comply with Philippine laws.

By enacting this measure, the government will be able to exercise greater oversight over digital platforms, ensuring that they operate transparently, responsibly, and

in alignment with national interests. This law is not intended to stifle freedom of expression but rather to protect the digital rights of Filipino citizens while maintaining a safe, secure, and accountable online environment.

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



HON. BERNADETTE S. BARBERS
2nd District, Surigao del Norte

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

SECTION 1. *Short Title.* – This Act shall be known as the “*Social Media Franchise Act.*”

SEC. 2. *Declaration of Policy.* – It is the policy of the State to promote responsible use of social media, safeguard national security, protect the data privacy of its citizens, and ensure that digital platforms operating within the country adhere to the highest standards of transparency, accountability, and public welfare.

SEC. 3. *Definition of Terms.* – For purposes of this Act, the following terms shall mean:

- (a) Social Media Platforms – Any website, application, or digital service that enables users to create, share, and interact with content, including but not limited to Facebook, X (formerly Twitter), Instagram, TikTok, YouTube, and similar services.
- (b) Legislative Franchise – A privilege granted by Congress allowing a social media platform to operate within the country, subject to compliance with applicable laws and regulations.
- (c) Regulatory Authority – The National Telecommunications Commission (NTC) or any other government agency designated by Congress to oversee compliance with this Act.

SEC. 4. *Requirement for a Legislative Franchise.* – No social media platform shall operate within the country without securing a legislative franchise from Congress. The franchise shall be granted for a period of five (5) years, subject to renewal upon compliance with the requirements set by law.

SEC. 5. *Application and Grant of Franchise.* – (a) Any social media platform seeking to operate in the country must file an application with Congress. The application shall include:

1. The entity's corporate structure, ownership, and country of origin.
2. Its data privacy, content moderation, and cybersecurity policies.
3. Measures to prevent fake news, misinformation, and harmful content.
4. Compliance with Philippine laws, including taxation, labor, and cybersecurity requirements.

(b) Congress, after due deliberation and public hearings, may grant a franchise through the passage of a law, subject to terms and conditions ensuring public interest and national security.

SEC. 6. *Obligations of Franchise Holders.* – Social media platforms granted a franchise must:

- (a) Register as a business entity and establish a local office in the Philippines with a designated representative for compliance and regulatory matters.
- (b) Ensure transparency in content moderation policies, including the right to appeal content removals.
- (c) Cooperate with law enforcement in investigations involving cybercrimes, terrorism, and online exploitation.
- (d) Adhere to Philippine tax laws and remit appropriate taxes from local revenue sources.
- (e) Implement robust user verification mechanisms to prevent fake accounts and online fraud.

SEC. 7. *Regulatory Oversight.* – The NTC in coordination with DICT, and other relevant agencies shall monitor and ensure compliance with the provisions of this Act. Congress shall have the power to review, suspend, or revoke a franchise if a social media platform is found to be in violation of any law or regulation.

SEC. 8. *Penalties for Violations.* – (a) Any social media platform operating without a valid legislative franchise shall be subject to the following penalties:

1. A fine of not less than ₱100 million for each year of unauthorized operation.
2. Immediate suspension of access within the country through coordination with internet service providers;

3. Other penalties as may be determined by the regulatory body.

(b) Failure to comply with the conditions of the granted franchise shall result in suspension or revocation of the franchise upon due process.

SEC. 9. *Transition Period.* – All social media platforms currently operating in the country shall have one (1) year from the effectivity of this Act to obtain a legislative franchise. Failure to comply will lead to their immediate suspension from operating within the country.

SEC. 10. *Implementing Rules and Regulations.* – Within ninety (90) days from the effectivity of this Act, the NTC, in coordination with the Department of Information and Communications Technology (DICT) and other relevant agencies, shall issue the necessary implementing rules and regulations (IRR) to carry out the provisions of this Act.

SEC. 11. *Separability Clause.* – If any provision or part of this Act is declared invalid or unconstitutional, the remaining parts or provisions not affected by such declaration shall remain in full force and effect.

SEC. 12. *Repealing Clause.* – All laws, executive orders, rules, and regulations inconsistent with this Act are hereby repealed or modified accordingly.

SEC. 13. *Effectivity.* – This Act shall take effect fifteen (15) days after its publication in the Official Gazette or in two (2) newspapers of general circulation.

Approved,