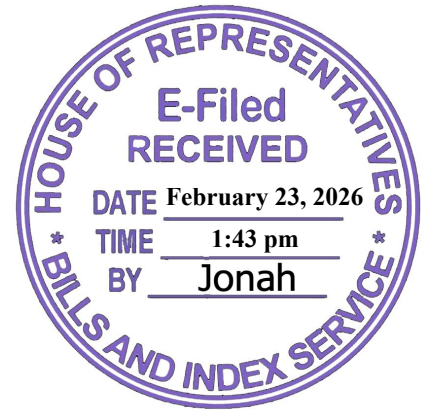




Republic of the Philippines
House of Representatives
Quezon City, Metro Manila

Twentieth Congress
First Regular Session

HOUSE BILL NO. 7948



Introduced by Representatives Ferdinand Martin G. Romualdez, Yedda Marie K. Romualdez, Andrew Julian K. Romualdez, and Jude A. Acidre

AN ACT
INSTITUTIONALIZING THE NATIONAL INTEGRATED
CLEARANCE SYSTEM, AS A CENTRALIZED DIGITAL FACILITY
FOR THE PUBLIC TO REQUEST AND SECURE CLEARANCES FROM
NATIONAL GOVERNMENT AGENCIES AND LOCAL GOVERNMENT
UNITS, APPROPRIATING FUNDS THEREFOR, AND FOR OTHER
PURPOSES

EXPLANATORY NOTE

The process of securing government clearances in the Philippines remains fragmented, repetitive, and burdensome for citizens. Job applicants, overseas Filipino workers, and other members of the transacting public are commonly required to present multiple government-issued IDs and secure separate clearances from the National Bureau of Investigation (NBI), the Philippine National Police (PNP), and their barangay of residence, among others.

Each clearance-issuing agency maintains its own portal, procedures, and fees, often requiring applicants to appear in person for photo or biometric capture. Some institutions even demand additional clearances from the Sandiganbayan, the Judiciary, or the Office of the Ombudsman. This lack of coordination among agencies reflects the fragmented and non-interoperable nature of government systems, which burdens the public and delays the delivery of credible and timely information to law enforcement and judicial institutions.

Moreover, the absence of a unified and authoritative source of clearance data results in redundant information storage and inconsistent verification standards. This fragmentation undermines data protection and erodes public trust, as sensitive personal information is dispersed across multiple databases without harmonized security protocols. Further, the financial cost of obtaining clearances, which is estimated at over 32% of an average household's daily income, excluding transportation and opportunity costs, adds an unnecessary burden, particularly for low-income earners and those residing far from urban centers.

While the government has taken significant steps toward digitalization through initiatives such as the eGov PH app of the Department of Information and Communications Technology (DICT), and the eLGU and eBOSS programs of the Anti-Red Tape Authority (ARTA), most systems remain siloed and incompatible. These efforts highlight the progress made but also underscore the need for a unified, interoperable platform to streamline clearance issuance and verification.

To ease the transactions of the country's workforce with national and local clearance-issuing agencies, an enabling law to build and sustain a service platform that extends the usability and spurs the adoption of the National ID, among others, and consolidates all clearance-related transactions into a highly available and federated service, securely accessible to every citizen or permanent resident, regardless of their location, is paramount.

To these effects, the National Integrated Clearance System or NICS, shall provide a single window system for clearances that shall be accessible to individual applicants, employers, government agencies, and other authorized institutions at all times. It will harmonize government policies and streamline procedures on the issuance of regulatory, judiciary, or law enforcement clearances, thus, providing a persistent service that is available and accessible to individuals and permissioned institutions.

This measure was also filed during the 19th Congress.

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



FERDINAND MARTIN G. ROMUALDEZ



YEDDA MARIE K. ROMUALDEZ

A stylized handwritten signature in black ink, featuring a large, looped 'A' and 'R'.

ANDREW JULIAN K. ROMUALDEZ

A stylized handwritten signature in black ink, featuring a large, looped 'J' and 'A'.

JUDE A. ACIDRE



Republic of the Philippines
House of Representatives
Quezon City, Metro Manila

Twentieth Congress
First Regular Session

HOUSE BILL NO. 7948

Introduced by Representatives Ferdinand Martin G. Romualdez, Yedda Marie K. Romualdez, Andrew Julian K. Romualdez, and Jude A. Acidre

AN ACT
INSTITUTIONALIZING THE NATIONAL INTEGRATED
CLEARANCE SYSTEM, AS A CENTRALIZED DIGITAL FACILITY
FOR THE PUBLIC TO REQUEST AND SECURE CLEARANCES FROM
NATIONAL GOVERNMENT AGENCIES AND LOCAL GOVERNMENT
UNITS, APPROPRIATING FUNDS THEREFOR, AND FOR OTHER
PURPOSES

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

TITLE I
PRELIMINARY PROVISIONS

Section 1. *Short Title.* – This Act shall be known as the “*National Integrated Clearance System Act*” or the “*NICS Act*.”

Section 2. *Declaration of Policy.* – It is hereby declared the policy of the State to establish a single clearance system referred to as the “National Integrated Clearance System,” or “NICS,” which shall provide “single window functionalities” centralizing all transacting public requests for clearances, responses, and subsequent issuances of clearance-issuing law enforcement or

judiciary agencies of government into a cohesive, non-intrusive, secure, enterprise-grade, policy-based, rules-driven, and workflow-enabled system to safeguard propriety, privacy, and proportionate use of sensitive private information into a fully auditable service platform.

It is in the interest of the State to achieve a paperless, seamless, and interoperable environment as a foundation for government agencies to improve service efficiency, transparency, auditability, traceability, and accountability; an environment that enhances standards of governance and protocols to mitigate deficiencies that may be exploited by threat actors; a system to curtail bureaucratic red tape; and, a system to continually improve quality and ease in the conduct of business between government agencies and the public.

Towards this end, and specific to any public service at the national and local levels involving the application and issuances of clearances, commensurate with its intent to promote a paperless environment for processing, issuing, and administering clearances, a secure national integrated clearance platform shall be developed, implemented, and deployed, to serve as the main interface between the transacting public and all clearance-issuing government institutions, including, but not limited to, law enforcement, revenue, and judiciary institutions. This platform shall be accessible to users and administrators using established technologies that enforce strong security, encryption, and best-in-class identity and privacy protection protocols, to ensure that propriety, privacy, and the proportionate use of sensitive personal data are at all times upheld and protected.

Section 3. *Definition of Terms.* – As used in this Act, the following terms are defined as follows:

- a) *Applicant* refers to the individual making a request for a clearance.
- b) *Consumer* refers to the representative of a government or private entity requiring a clearance, authorized by the data owner, to use the requested information for a legitimate purpose.
- c) *Clearance* refers to the digitally signed document, exclusively presented in an abstracted and machine-readable-only form generated by a government agency, containing pertinent and data-delimited information.
- d) *Distributed Ledgers* refers to digital registries containing encrypted copies of data stored across different locations and devices within a private-permissioned blockchain network.
- e) *Metadata* refers to data which describes other data.
- f) *Blockchain Nodes* refers to devices which maintain copies of the distributed ledgers.
- g) *Non-repudiability* refers to a description of data or information which has proof of origin and authenticity that such data have not been tampered.
- h) *Portal* refers to the online accessible system from which authorized users, using established security protocols and permission levels, can access authorized information.
- i) *Record* refers to a uniquely identifiable data set of a transaction that is indexed and stored in a retrievable electronic format.
- j) *Security* refers to the physical and virtual protection of interconnected systems, such as data, hardware, and software from internal or external threats.
- k) *Single Window* refers to a system which allows persons and entities to transact using a centralized or single access point.

- l) *Web Service Endpoint* refers to an entity, processor or resource that can be referenced and to which web service messages can be addressed.

Section 4. *Scope.* – This Act shall apply to the funding, acquisition, development, integration, implementation, operationalization, and continual future systems improvement, inclusive of technological, functional, and procedural improvements of the National Integrated Clearance System, to service all clearance-issuing national and local government agencies. Its scope shall be limited to the following functions:

- (a) Serve as the single window for applicants to complete digital clearance requests to any clearance-issuing agency of government, national or local, determined by the type of clearance requested.
- (b) Serve as the single window for applicant-authorized consumers of clearances, government or private, to securely access data-delimited clearance issuances.
- (c) Simultaneously and digitally route all requests or application for clearances submitted by applicants to concerned agency or agencies, for proper dispensation, disposition, and issuance as required by the type of clearance requested.
- (d) Monitor the duration and status of all applications or requests baselined against the last recorded action.
- (e) Generate an immutable machine-readable-only reference code, barcode, or quick response (QR) code that is permanently coupled to the date and version of the issued clearance.
- (f) Maintain a network of context-specific and encrypted distributed ledger nodes to store non-repudiable and immutable, metadata-only, record of

user access, submitted transactions, dispositions, issuances, and references to authorized changes.

- (g) Provide standard multi-protocol web service endpoints that shall be made accessible to all authorized and permissioned consumers.
- (h) Provide local and international airlines, public utility buses, and terrestrial and marine interisland passenger vessels, as a service, a standard web service endpoint facility for such, to check as a function of ticketing, against any outstanding restrictions, prohibitions, or warrants specifically preventing any passenger, whether a citizen, legal resident, or foreign persons from boarding any public transport vehicle, aircraft, or vessel.
- (i) Establish, publish, and maintain a national authoritative data interoperability standard encapsulating detailed specifications on required data structures, data harmonization, information sharing, data exchanges, data protection, security protocols, and privacy protection protocols affecting clearances issued by national or local government entities.
- (j) Provide continual data quality management and integration services to all national and local government agencies to transform and harmonize all data sources into a cohesive national interoperability standard as will be defined under the Implementing Rules and Regulations of this Act.

TITLE II

NATIONAL INTEGRATED CLEARANCE SYSTEM

Section 5. *Components of the National Integrated Clearance System.* –

The National Integrated Clearance System, hereinafter referred to as NICS or system, shall be established, implemented, governed, and managed by the

Philippine Statistics Authority, and shall consist of the following integral environments, technology components, and enabling services:

(a) Hardware and Software Technologies

- i. Secure mobile and browser accessible applications
- ii. Enterprise-grade Systems Environment
- iii. Private Permissioned Business Blockchain and Distributed Ledger Environment
- iv. Interoperability and Integration Environment
- v. Application Security
- vi. Data Security, Encryption, and Quality
- vii. Analytics, Visualization and Business Intelligence Environment
- viii. Data Archival and Business Continuity
- ix. Cybersecurity and Threat Analytics
- x. Distributed Hybrid Compute and Storage Environment

(b) Services

- i. Data Transformation and Harmonization Services
- ii. Re-Engineering and Procedural Streamlining Services

(c) Integration and Interoperability

- i. Secure Enterprise API Gateway
- ii. Standard Web Service Endpoint Catalog
- iii. Secure Issuer Web Service API Endpoints
- iv. Secure Consumer Web Service API Endpoints

Section 6. *Limitations.* – The NICS shall not be used by any government agency, entity, or person to:

- (1) Store any data or information in substantive form and beyond that which is classified as metadata, that is generated and sourced from respective government agencies. The system shall strictly capture and store only transactional metadata, shall serve the purpose of aggregating the requests, routing requests to the appropriate agency, and consolidating the responses from issuing agencies using a system-generated machine-readable-only reference code in the form of a barcode or QR code. The contents or substance of each clearance shall remain under the governance and control of the issuing agency and shall not be stored in any of the system's repositories.
- (2) Disclose, collect, record, convey, disseminate, publish, or use any information from the NICS, give access thereto, or give copies thereof to third parties or entities, including law enforcement agencies, national security agencies, or units of the Armed Forces of the Philippines (AFP), beyond those allowed under the Data Privacy Act, except in the following circumstances:
 - (a) When the registered person has given his or her consent, specific to the purpose prior to collection and processing.
 - (b) When the compelling interest of national security and public safety is at stake, relevant information may be disclosed upon order of a competent court, without prejudice to the principle of proportionate use as specified under the Republic Act No. 10173 or the Data Privacy Act of 2012 and other laws and international treaties, as may be applicable.

Section 7. *National Integrated Clearance System Council.* – The National Integrated Clearance System Council, hereinafter referred to as the Council, is hereby established to provide clearly defined directions, policies, and guidelines to ensure the effective, proportionate, and secure implementation, coordination, and use of the NICS.

The Council shall be composed of the following:

1. Secretary, National Economic Development Authority;
2. National Statistician and Civil Registrar, Philippine Statistics Authority;
3. Undersecretary, Department of Interior and Local Government;
4. Undersecretary, Department of Justice;
5. Chairperson, Commission on Human Rights; and,
6. Chairman, National Privacy Commission.

The Secretary of the National Economic Development Authority shall be the Chairperson of the Council while the National Statistician and Civil Registrar of the Philippine Statistics Authority shall be the Vice Chairperson.

Section 8. *Role of the Philippine Statistics Authority (PSA).* – The Philippine Statistics Authority, together with the Council, shall carry out the implementation of this Act in such manner that the operations of relevant government agencies shall not be impeded in order not to unduly delay delivery of public service: *Provided*, that the PSA shall create a transition plan, which shall include pilot implementation, to gradually interface with all existing government digital clearance systems. The transition plan shall set up the timelines and deliverables and shall be crafted in coordination with agencies concerned and the

Department of Information and Communications Technology (DICT), based on the guidelines issued by the Council and subject to the provisions of the Data Privacy Act of 2012 and other applicable laws and regulations.

Section 9. *Interoperability and Harmonization.* – Government agencies identified by the Council in the implementing rules and regulations issued pursuant to this Act shall work with the PSA to streamline and harmonize interagency procedures and to integrate, connect, or establish automated digital communications between the NICS and their respective digital systems: *Provided*, That the government agencies have already established an acceptable level of accuracy of their records.

The Council, together with the PSA, shall regularly update the list of government agencies which shall integrate with, connect to, or establish digital communications with the NICS and shall regularly check the level of accuracy of their records.

TITLE III FINAL PROVISIONS

Section 10. *Administrative, Criminal or Civil Liability.* – Violation of any provision of this Act and falsification of records by any person, natural or juridical, shall subject the person involved to administrative, criminal, or civil liability, under applicable laws.

Section 11. *Presidential and Congressional Oversight.* – For the effective implementation of this Act, there shall be a Congressional Oversight Committee, hereinafter referred to as the NICS Oversight Committee, which shall include two (2) members from the Senate and twenty (20) members from the House of

Representatives. The PSA, in coordination with the Council, shall submit an annual report to the NICS Oversight Committee and the President of the Philippines not later than the first quarter of each year.

Section 12. *Appropriations and Funding.* – The amount necessary for the effective implementation of the provisions of this Act shall be taken from the current year's appropriation of the Philippine Statistics Authority. Thereafter, such amount as may be needed for the continued implementation of this Act shall be included in the annual General Appropriations Act.

Section 13. *Implementing Rules and Regulations.* – Within one-hundred eighty (180) days from the effectivity of this Act, the PSA, shall promulgate, with the approval of the Council, the rules, and regulations to effectively implement the provisions of this Act.

Section 14. *Separability Clause.* – If any provision of this Act shall be held unconstitutional or invalid, all other provisions not affected thereby shall in full force and effect.

Section 15. *Effectivity Clause.* – This Act shall take effect fifteen (15) days after its publication in the *Official Gazette* or in a newspaper of general circulation.

Approved,