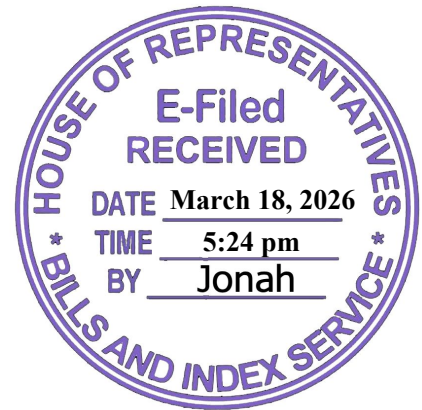


Republic of the Philippines
House of Representatives
Quezon City, Metro Manila

TWENTIETH CONGRESS
First Regular Session

HOUSE BILL NO. 8686



Introduced by Representative Kenneth T. Gatchalian

EXPLANATORY NOTE

The Optical Media Board (OMB), established by Republic Act No. 9239 (the Optical Media Act of 2003), was originally intended to regulate the production and distribution of physical media, such as compact discs (CDs), and video compact discs (VCDs), and digital versatile discs (DVDs). While effective during the height of the disc-based economy, this mandate is now fundamentally mismatched with the current technological landscape.

Over the last twenty years, piracy has undergone a massive digital migration. Today's intellectual property violations occur primarily through, 1.) Illegal streaming services and torrent networks; 2.) Cloud-based storage and file-sharing platforms; 3.) Online marketplaces. Since the OMB's legal jurisdiction is strictly "tethered" to physical replication plants and tangible carriers, these digital-native threats fall outside its statutory reach.

In contrast, the Intellectual Property Office of the Philippines (IPOPHL), governed by Republic Act No. 8293, possesses a technology-neutral mandate. IPOPHL is better equipped to handle the complexities of the digital age, with the authority to adjudicate disputes, deputize law enforcement, and maintain specialized copyright offices. Furthermore, its institutional capacity to retain fees and fines ensures its operational sustainability.

To eliminate government redundancy and create a unified, more potent

front against piracy in all its forms, this measure proposes the transfer of the OMB's powers and resources to IPOPHL. This consolidation will streamline enforcement and ensure our laws remain relevant in a borderless digital economy.

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



KENNETH T. GATCHALIAN

Republic of the Philippines
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HOUSE BILL NO. 8686

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AN ACT
ABOLISHING THE OPTICAL MEDIA BOARD CREATED
UNDER REPUBLIC ACT NO. 9239, TRANSFERRING ITS POWERS AND
FUNCTIONS TO THE INTELLECTUAL PROPERTY OFFICE OF THE
PHILIPPINES, AND FOR OTHER PURPOSES

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

1 **SECTION 1.** *Abolition of the Optical Media Board.* – The Optical Media
2 Board (OMB) created under the Republic Act No. 9239, otherwise known as the
3 Optical Media Act of 2003, is hereby abolished.

4 **SEC. 2.** *Transfer of Powers and Functions to IPOPHL.* – All powers,
5 functions, and responsibilities of the OMB under Section 10 of RA 9239 relating to:

6 a. licensing, regulation, and inspection of establishments engaged in
7 reproduction and distribution of copyrighted works in physical media or
8 their digital equivalents, including visitorial powers;

9 b. enforcement of administrative and penal provisions relating to
10 unauthorized reproduction of copyrighted works; and

1 c. database and registry maintenance on licensed establishments and
2 reproduction equipment, are hereby transferred to the Intellectual
3 Property Office of the Philippines (IPOP HL).

4
5 A separate division may be created under the IPOP HL's Bureau of Copyright and
6 Other Related Rights may be created, as may be deemed necessary by the IPOP HL,
7 in order to perform the absorbed functions of the OMB.

8
9 **SEC. 3.** *Absorption of Affected Personnel, Separation and Retirement*
10 *Benefits.* – The Intellectual Property Office of the Philippines (IPOP HL) shall, as
11 needed, absorb the employees of the Secretariat of the abolished OMB, without
12 diminution of their salaries and other benefits. Employees who are separated from
13 the service as a result of the abolition of the OMB and its Secretariat shall receive
14 separation benefits under applicable laws and regulations: *Provided,* That those who
15 are qualified to retire under existing laws shall be allowed to retire and receive
16 retirement benefits to which they may be entitled under applicable laws, rules and
17 regulations.

18 **SEC. 4.** *Transfer of Properties and Resources to IPOP HL.* – The IPOP HL
19 shall, by virtue of this Act, be subrogated to all the rights and assume all the
20 obligations and liabilities of the OMB, and all records, property, assets, equipment,
21 and funds of the OMB, including unexpended appropriations or allocations, shall be
22 transferred to the IPOP HL.

23 **SEC. 5.** *Appropriations.* – Funds necessary to implement this Act shall be
24 sourced from current appropriations of the OMB. Thereafter, appropriations shall
25 be included in IPOP HL's annual budget.

26 **SEC. 6.** *Separability Clause.* – If any provision or part of this Act is held
27 invalid or unconstitutional, the remaining parts or provisions not affected shall
28 remain in full force and effect.

1 **SEC. 7. *Repealing Clause.*** – All laws, executive orders, presidential
2 decrees or issuances, letter of instruction, administrative orders, rules, and
3 regulations as well as local ordinances contrary to or inconsistent with the provisions
4 of this Act are hereby repealed, amended, or modified accordingly.

5 **SEC. 8. *Effectivity.*** - This Act shall take effect fifteen (15) days after
6 publication in the Official Gazette or in two (2) national newspapers of general
7 circulation.

Approved,