

FIFTEENTH CONGRESS OF THE REPUBLIC )  
OF THE PHILIPPINES )  
First Regular Session )

SENATE  
S.B. No. 2344

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Introduced by **Senator Juan Ponce Enrile**

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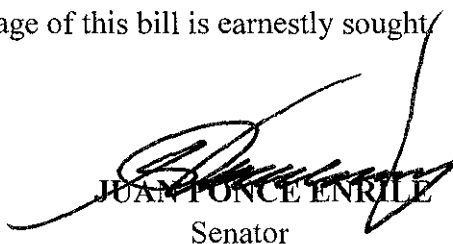
### EXPLANATORY NOTE

The rapid development of the information and communications technology sector has defined seamless geographical boundaries across nations in the exchange of information through various telecommunications facilities and services. Relevance of this sector is almost always felt in every facet of our socio-economic and political activity. The emerging digital global economy has integrated into the delivery of business services the use of information and communications technology infrastructures to boost competitiveness. Governments throughout the world are geared towards the development and management of information systems to streamline and improve efficiency in the delivery of basic services to the people. Computer literacy of a workforce is necessary to be able to participate in the new electronic area.

In the Philippines, Executive Order No. 546 was issued in 1979 to integrate the Board of Communications and the Telecommunications Control Bureau into the National Telecommunications Commission (NTC) under the administrative supervision of the Ministry of Transportation and Communications. The NTC then was mandated "to develop an integrated nationwide transmission system by itself or through or together with other entities in accordance with national and international telecommunications standards to meet all telecommunications requirements."

However, since its creation, advancement in the level of new technologies has changed the industry from a monopolistic industry to one that provides consumers with choices and improved access to a number of information and communications technology services. As a number of 'new' industry players have emerged in the past years, it has become imperative for the government to provide a regulatory environment to: 1) develop a viable, adequate, efficient, and universal information and communications sector using the best available and affordable technologies; 2) foster a competitive business environment, and fair and efficient market conduct among industry players; 3) ensure universal access to reliable and affordable services; and, 4) protect the interests and welfare of both of the industry players and the consuming public. This bill therefore seeks to reorganize the NTC by strengthening its existing powers and functions for the agency to cope with the evolving information and communications technology landscape.

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

  
JUAN PONCE ENRILE  
Senator

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RECEIVED  
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**AN ACT**  
**REORGANIZING THE NATIONAL TELECOMMUNICATIONS COMMISSION,**  
**DEFINING ITS POWERS AND FUNCTIONS, APPROPRIATING FUNDS THEREFOR,**  
**AND FOR OTHER PURPOSES**

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

1           **SECTION 1. Title.** – This Act shall be known as the “*National Telecommunications*  
2           *Commission Reorganization Act of 2010.*”

3  
4           **SEC. 2. Declaration of Policy.** – The State shall promote the development of high  
5           quality information and communications infrastructures and services as vital tools for economic  
6           development, nation building and global competitiveness. Towards this end, it is hereby a  
7           declared policy of the State to develop a regulatory environment for a viable, adequate, efficient,  
8           and universal information and communications sector using the best available and affordable  
9           technologies; foster a competitive business environment, and fair and efficient market conduct  
10          among industry players; ensure universal access to reliable and affordable services; and protect  
11          the interests and welfare of both of the industry players and the consuming public.

12  
13          **SEC. 3. Definition of Terms.** – For purposes of this Act, the following terms are hereby  
14          defined:

- 1 (a) "Authorization" refers to any certificate, permit, license, accreditation, registration,  
2 recognition or similar permission granted to a person or entity to lawfully engage in  
3 the activities falling under the jurisdiction of the Commission;
- 4 (b) "Certificate of Public Convenience and/or Certificate of Authority" (CPC/CA) and  
5 "Certificate of Public Convenience and Necessity" (CPCN) both refer to a certificate  
6 issued by the Commission in the provision of services that fall within the jurisdiction  
7 of the Commission;
- 8 (c) "CICT" refers to the Commission on the Information and Communications  
9 Technology created under Executive Order No. 269, series of 2004, or its successor  
10 agency;
- 11 (d) "Commission" refers to the National Telecommunications Commission;
- 12 (e) "Frequency" refers to the number of cycles per unit time, usually expressed in Hertz;
- 13 (f) "Information and Communication Technology", herein referred to as "ICT", refers to  
14 the totality of electronic means to collect, store, process and present information to  
15 end-users in support of their activities. It consists, among others, of computer  
16 systems, office systems and consumer electronics, as well as network information  
17 infrastructure, the components of which include the telephone system, the internet,  
18 fax machines, computers, and other similar devices;
- 19 (g) "Interconnection" refers to the linkage by any means of transmission such as by wire,  
20 radio, satellite, microwave channel of networks and services of two or more existing  
21 services providers with one another;
- 22 (h) "Legislative Franchise" refers to the franchise issued by Congress authorizing the  
23 entity to engage in a certain type of telecommunications, broadcast, cable TV,  
24 multimedia and other information and communications infrastructures and services;
- 25 (i) "Radio Spectrum" shall cover radio frequencies from 9 KHz or higher that can be  
26 used for broadcast services; and,
- 27 (j) "Universal Access" shall refer to the provision of affordable, accessible, and efficient  
28 information and communications infrastructures and services to the widest array of  
29 consumers possible.

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**SEC. 4. Reorganization of the Commission .** – The Commission is hereby reorganized to strengthen its existing organizational structure and capabilities to meet the rapid developments of emerging technologies in the fields of information, communications, broadcast, cable TV and other multi-media infrastructure and services.

The Commission shall be attached to the CICT for policy and program coordination, and shall be under the administrative supervision of the same. The Commission shall independently exercise its powers and functions and no other agency shall influence or effect a review or modification of its decisions as a quasi-judicial body. Provided, however, that the decisions of the Commission as a quasi-judicial entity shall be appealed only to the Court of Appeals and the Supreme Court, as provided for by law.

**SEC. 5. Jurisdiction.** – The Commission shall have jurisdiction over all persons and entities engaged in the operation and/or provision of information and communications, telecommunications, broadcast, cable TV and other multi-media infrastructures and services. Pursuant thereto, the Commission shall exercise supervisory and regulatory powers over such persons and entities, including program, content and application providers in such infrastructures and services, radio stations and radio training schools, maritime point of service activation, networks or system services, franchise, equipment and other properties, and/or any person using the radio spectrum and other limited resources in communications and information e.g. numbering systems, domain name systems and other related concerns.: *Provided*, that telecommunication stations owned and operated by the Armed Forces of the Philippines (AFP) shall be subject to the jurisdiction of the Committee only to the extent that the AFP shall first secure authorization from the Commission to use frequencies relative to the operation of such stations.

**SEC. 6. Powers and Functions.** – In addition to the powers already provided for by existing laws, not inconsistent with this Act, the Commission shall have the following powers and functions:

- 1 (a) Establish standards, specifications, measures, guidelines, rules and regulations that will  
2 govern the operations of service providers in the areas of information and  
3 communications technology, broadcast, cable TV, and other multi-media  
4 infrastructures/services;
- 5 (b) Issue CPCs/CAs and/or CPCNs to qualified ICT companies, radio and televisions  
6 broadcast networks, cable TV operators and other multi-media service providers;
- 7 (c) Recommend policies for the promotion of ICT, broadcast media or other technologies, as  
8 well as any other related fields thereto;
- 9 (d) Administer and implement the Public Telecommunications Policy Act, as amended, and  
10 other relevant laws that the Commission is mandated to enforce, including those pursuant  
11 to international treaties, conventions and/or agreements which the Philippine government  
12 has entered or will enter into;
- 13 (e) Adopt an administrative process to facilitate the entry of qualified service providers,  
14 taking into consideration the competition policies of the government thus enabling the  
15 public to gain access to information and communication services and, at the same time,  
16 enabling service providers to generate sufficient returns to promote and sustain industry  
17 growth
- 18 (f) Formulate plans and implement programs to provide better access to ICT, broadcast and  
19 other similar services in un-served and/or underserved areas at affordable rates;
- 20 (g) Provide rules, regulations, guidelines, measures and specifications in accordance with  
21 acceptable standards to ensure quality, safety, liability, security, compatibility and  
22 interoperability of ICT companies, radio and television broadcast networks, and other  
23 multi-media systems and facilities in conformity with national standards and  
24 specifications and those set by international radio and telecommunications bodies which  
25 the Philippines is a party of;
- 26 (h) Formulate and implement regulatory policies for the establishment, operation and  
27 maintenance of ICT facilities of new and converged services;
- 28 (i) Prescribe rules, regulations, guidelines, measures and specifications for the following:

1 (i) The setting and imposition of appropriate fees and charges over persons and  
2 entities within its jurisdiction, such as:

3 1) Spectrum user fees for all assignees except those assigned to military and  
4 public safety services;

5 2) Permits, certificates, registration and license fees;

6 3) Supervision and regulations fees; and,

7 4) Other administrative fees and charges fines and sanctions;

8 (ii) Determination and prescription of fair and reasonable charges or rates pertinent to  
9 the operation of public utility facilities and services, after conducting public  
10 hearings or hearings on applications, except when these rates and tariffs are  
11 deregulated or established by international bodies or associations where the  
12 Philippines is a participating member of, or by bodies recognized by the  
13 Philippine government as the proper arbiter of such rates and tariffs.

14 Subject to the provisions of R.A. No. 7925 and such other laws as may be  
15 promulgated, except where deregulation has been authorized, rates and other  
16 charges of public services shall be submitted to the Commission for its approval  
17 and the Commission shall, after public hearing, render a decision, ruling or order  
18 on said rates by:

19 1) Approving the proposed rate and charges or any part thereof with or without  
20 alterations;

21 2) Rejecting the proposed rates and charges or any part thereof without prejudice  
22 to the submission of a new proposal for new schedules of rates and charges;  
23 or,

24 3) In the interest of the public, prescribe rates after due notice and public hearing  
25 for the use of facilities/networks and services offered other than those  
26 proposed by the service providers:

27 *Provided*, that the Commission shall have the original and  
28 exclusive jurisdiction over all cases contesting rates, fees, fines and penalties  
29 imposed by the Commission;

- 1 (iii) The accreditation and registration of radio and telecommunications equipment  
2 dealers, suppliers, manufacturers, repair shops, and the purchase, sale, lease,  
3 rental, possession and type approval/acceptance of radio and telecommunications  
4 equipment;
- 5 (iv) The fostering of fair and efficient market conduct through, but not limited to the  
6 protection of information, communication, radio, broadcast, cable TV and other  
7 multi-media facilities, systems of networks and services entities from unfair  
8 practices or other barriers;
- 9 (v) The implementation of a responsive and more effective use of information and  
10 communications facilities and services taking into consideration existing and  
11 emerging technologies; and,
- 12 (vi) The protection of consumers against inadequate satisfactory service, any illegal  
13 activity and/or the misuse or abuse of any entity's monopolistic or quasi-  
14 monopolistic powers and anti-competitive practices through, but not limited to,  
15 the conduct of investigations of complaints and the exaction of compliance from  
16 the providers to conform with service standards.
- 17 (j) Establish, prescribe and regulate areas of operation of public services/utilities,  
18 their equipment and other properties in accordance with their legislative franchise and  
19 their certificates, licenses, registration, accreditation and other authorizations;
- 20 (k) Require, consistent with due process, any public service to provide access to and  
21 the use of its facilities and services, including the interconnection with or the attachment  
22 to its facilities or equipment, on such terms and conditions and the payment of  
23 compensation, as the Commission may determine and approve;
- 24 (l) Allocate, sub-allocate and reallocate radio frequencies, and adopt frequency plans  
25 and standards based on the International Telecommunications Union regulations to  
26 promote growth and development of the sector;
- 27 (l) Assign radio frequencies, grant permits and licenses for the use of the radio spectrum or  
28 such other limited resources to authorized person or entity essential for the efficient  
29 operation of any facility, station, networks and services: *Provided*, that any application

1 under this subsection shall be acted upon by the Commission within ninety (90) days  
2 from the time of filing thereof;

3 (m) Maintain a complete, and ensure the safety and integrity of, records of issued certificates,  
4 licenses, permits, registers, allocated and assigned frequencies and such other  
5 authorizations or activities of the Commission essential to planning, monitoring and  
6 enforcement of the powers of the Commission;

7 (n) Ensure and monitor the compliance by persons and entities of their franchises,  
8 certificates, permits, accreditations, registrations, certifications, licenses and other  
9 existing laws, rules and regulations, technical programs and performance standards, or  
10 terms and conditions of their authorizations;

11 (o) Impose fines and penalties on persons and entities that operate without authorization or  
12 violate the terms and conditions of any authorization issued by the Commission:  
13 *Provided*, that the fine may be in an amount as may be deemed appropriate by the  
14 Commission but shall not exceed Fifty Million Pesos (P50,000,000.00);

15 (p) Upon the issuance of proper notice and the conduct of public hearings, suspend, cancel or  
16 revoke any authorization of service providers who violate the rules and regulations set by  
17 the Commission: *Provided*, that, when national security, public safety, welfare or interest  
18 so requires, the Commission may order immediate suspension of operations, and  
19 subsequently hold a hearing within five (5) days from the promulgation of the order of  
20 suspension;

21 (q) Monitor and enforce rules and regulations including the investigation of all persons or  
22 entities under the jurisdiction of the Commission: *Provided*, that in the exercise of its  
23 police powers and in accordance with due process, the Commission may confiscate  
24 equipment and/or effect closure of any office, station or sub-station whose operations are  
25 found to be in violation of existing laws, rules and regulations or its franchises:  
26 *Provided, further*, that, in case of closure, the Commission may take remedial action to  
27 allow for temporary operations by a qualified service provider in the interest of public  
28 service;



- 1 (r) Regulate radio training schools, the conduct of qualifying examinations and issue  
2 certification for qualified radio technicians and operators in accordance with laws,  
3 international conventions and treaties, or regulation where the Philippines is a signatory;
- 4 (s) Establish and administer appropriate human resource programs, including the  
5 establishment of training centers to enhance human resources capacity building  
6 initiatives;
- 7 (t) Direct, authorize or order another grantee of a certification or authorization to  
8 temporarily operate the business of a grantee whose certificate has been suspended,  
9 cancelled or revoked for cause: *Provided*, that the certificate of a grantee who  
10 unjustifiably discontinues or abandons his service for whatever reason for a period longer  
11 than thirty (30) days, causing irreparable damage or serious inconvenience to the public  
12 shall be suspended: *Provided, further*, the Commission may take appropriate action to  
13 address such situation and, in accordance with due process, may approve or award new  
14 applications for certification or authorization: *Provided, furthermore*, that, in case of  
15 mere suspension, and the grantee has effected remedial measures within six (6) months  
16 from the suspension, the Commission may reverse its decision to suspend and thereafter  
17 reinstate its prior authorization to allow said grantee to operate the business again:  
18 *Provided, furthermore*, that if the period of six (6) months has lapsed and no remedial  
19 measures have been effected, the certificate or authorization shall be permanently  
20 revoked: *Provided, finally*, that a grantee whose certificate has been revoked may re-  
21 apply but shall be treated as a new applicant;
- 22 (u) Mandate a fair and reasonable interconnection of systems, stations, networks, facilities  
23 and/or services of authorized network operators and other providers through appropriate  
24 modalities of interconnection that provides a reasonable and fair level of charges, so as to  
25 provide the most extensive access, availability and affordability to the public, and ensures  
26 that no single player interest controls access to facilities and services;
- 27 (v) Directly intervene, enjoin speedy settlement through alternative dispute resolution  
28 mechanisms and impose judgment on on-going and protracted disputes involving

- 1 interconnection among service providers, including the final approval of any  
2 interconnection agreements;
- 3 (w) Promulgate rules and procedures for the conduct of its proceedings and in arriving at  
4 decisions or orders;
- 5 (x) Summarily punish for contempt by a fine not exceeding five thousand pesos (P5,000.00)  
6 or by imprisonment not exceeding thirty (30) days or both, any person guilty of  
7 misconduct in the presence of the Commission or seriously interrupting any hearing or  
8 session or any proceeding before it, including cases in which a person willfully fails or  
9 refuses, without just cause, to comply with summons, subpoena ad testificandum,  
10 subpoena duces tecum, injunctions, decisions or orders, rules and regulations legally  
11 issued or promulgated by the Commission, or being present at a hearing, session or  
12 investigation, refuses to be sworn as a witness or to answer questions when lawfully  
13 required to do so, or to furnish information required by the Commission. The police  
14 agencies of the place where the hearing or investigation is conducted shall, upon the  
15 request of the Commission, assist in enforcing the provisions of this Section;
- 16 (y) Require any public service or utility to produce before the Commission any and all  
17 records, data, statistics and documents deemed proper or necessary in the exercise of its  
18 powers and functions, and cite for contempt, direct or indirect, any person who fails or  
19 refuses to comply with any lawful order of the Commission;
- 20 (z) Enlist the aid and support of any and all enforcement agencies of the Government, as well  
21 as the private sector in the implementation of its powers and functions under this Act;
- 22 (aa) *Motu proprio* inspect, or through duly authorized representatives, the operations,  
23 premises, books of accounts and records of any person or entity at any reasonable time, in  
24 the exercise of its quasi-judicial power for purposes of determining the existence of any  
25 anti-competitive behavior and/or market power abuse and any violation of rules and  
26 regulations issued by the Commission;
- 27 (bb) Approve the application for relevant authorization or certification by all the  
28 operators of information and communications, radio, broadcast, cable TV and other

1 multi-media facilities, stations, systems or networks and services including radio schools  
2 after the submission of the following:

3 (i) The amount, terms and conditions of each proposed issue, sale or other  
4 disposition of its capital stocks if the issuance, sale or disposition would result in:

5 1) A sale to any other public service or any corporation, domestic  
6 or foreign which vest in such one person or entity, more than forty percent  
7 (40%) of its subscribed capital stock; or,

8 2) A sale or transfer to any alien which results to a reduction to  
9 less than sixty percent (60%) of the capital stock belonging to Philippine  
10 citizens.

11 (ii) The terms and conditions of each proposed contract or agreement  
12 for the interconnection of systems, facilities, networks and services;

13 (iii) Any contract or arrangement entered into between operators and  
14 program/content providers which tends or aims to exclude, inhibit and frustrate  
15 the ability to offer diverse programs for a wider variety of choices and diversity of  
16 programming to the subscribing public; and,

17 (iv) Any contract, agreement, reports as may be prescribed by the  
18 Commission from time to time;

19 (cc) Require public service time through broadcasting stations, including cable TV,  
20 operators, to assist the government on public information and education;

21 (dd) Perform such other powers and functions as may be prescribed by law, as well as  
22 those that which may be implied from or are incidental to the carrying out of the powers  
23 granted to the Commission; and,

24 (ee) Issue orders, rules and regulations and other issuances as may be necessary to  
25 ensure the effective implementation of the provisions of this Act.

26  
27 **SEC. 7. Composition.** – The Commission shall be a collegial body of three (3)  
28 Commissioners, composed of a Chairperson and two (2) Commissioners, all of whom shall be

1 appointed by the President of the Philippines upon the recommendation of the Chairman of the  
2 CICT.

3 (a) *Tenure of Commissioners.* The Commissioners shall have a fixed term of five (5)  
4 years with an option to be reappointed for another term of five (5) years: *Provided,*  
5 that for the first set of appointees, the Chairperson shall hold office for five (5) years,  
6 one (1) Commissioner shall serve for three (3) years, and the other Commissioner for  
7 one (1) year: *Provided, further,* That any appointment to any future vacancy shall only  
8 be for the unexpired term of the predecessor: *Provided, finally,* That in no case shall  
9 any Commissioner serve for more than two (2) terms in the Commission.

10 The Commissioner shall enjoy security of tenure and shall neither be suspended  
11 nor removed except for just cause in accordance with the law.

12 (b) *Remuneration of Commissioners.* The Commissioners shall be entitled to the same  
13 salary, allowance and benefits, including retirement, as those of the Justices of the  
14 Court of Appeals, except for the Chairperson who shall have the rank of the Presiding  
15 Justice of the Court of Appeals.

16 (c) *Qualifications of Commissioners.* The Commissioners must be residents and citizens  
17 of the Philippines, at least 35 years of age, of good moral character, of known probity  
18 and unquestionable integrity, with recognized competence in the field of information  
19 and communications technology, and, with at least five (5) years of actual and  
20 distinguished experience in their respective fields of expertise: *Provided,* that one of  
21 the Commissioners shall preferably be a member of the Philippine Bar, another a  
22 licensed electronics and communications engineer (ECE), and the third an economist  
23 or a graduate of any relevant profession.

24 (d) *Powers of the Commissioners.* All powers vested upon the Commission shall be  
25 vested on the Commissioners sitting as collegial body. Hearings may be conducted  
26 by any of the Commissioners, individually or jointly, or by Hearing Officers duly  
27 authorized or delegated to hear such cases. A majority vote shall be required to reach  
28 a decision, ruling or order of the Commission.

1           Notwithstanding the foregoing provision, the Chairperson may provisionally  
2           approve or decide on immediate cases involving the fixing of rates or charges:  
3           *Provided*, that a hearing will be scheduled within thirty (30) days from the grant  
4           thereof.

5           The Chairperson shall also be the Chief Executive Officer of the Commission and  
6           shall provide the general executive direction and supervision of the operations and  
7           activities of the Commission, its bodies, boards, offices, and personnel.

8  
9           **SEC. 8. Regional Offices.** –The Commission shall be authorized to establish, operate, and  
10          maintain Regional Offices as the need arises. The regional office shall be headed by a Regional  
11          Director, who shall be appointed by the President of the Philippines upon the recommendation of  
12          the CICT.

13          Such regional offices shall function as line organization which shall be responsible for the  
14          following:

- 15          (i) implementation of laws, policies, projects, plans, rules and regulations of the  
16          Commission;
- 17          (ii) supervision and inspection of the operation of radio, television, cable TV and  
18          telecommunications networks, station, systems, facilities and services;
- 19          (iii) Regulation and control of communications, CABLE TV and broadcast services;
- 20          (iv) Conduct of hearings on consumers' complaints and administrative cases;
- 21          (v) Issuance of permits, licenses and certificates, including the conduct of examination  
22          and licensing of qualified operations; and,
- 23          (vi) Such other functions as may be assigned to them.

24  
25          **SEC. 9. Fiscal autonomy.** – The Commission shall enjoy fiscal autonomy. Its  
26          appropriations may not be reduced below the amount appropriated for the previous year and after  
27          approval, shall be automatically and regularly released. The Commission may re-align  
28          allocations to supplement any insufficient or inadequate appropriation as may be necessary to  
29          effectively discharge its duties.

1 Thirty percent (30%) of the total supervisory and regulatory fees (SRF) collected by the  
2 Commission under Section 6(i) of this Act shall constitute receipts automatically appropriated  
3 for a period of five (5) years from the effectivity of this Act, to be used by the Commission to  
4 augment its resources to fund its operations and activities pursuant to its mandate.

5 *Provided*, that all moneys appropriated and earned by the Commission shall be utilized  
6 solely for its operations and shall be subject to DBM budget rules and regulations.

7  
8 **SEC. 10.** *Compensation and Emoluments of Personnel.* – All positions of the  
9 Commission with high level of technical proficiency and expertise in telecommunications shall  
10 be governed by a compensation comparable to the private sector and position classification  
11 systems and qualification standards approved by the Commission, in consultation with the Civil  
12 Service Commission (CSC), Department of Budget and Management (DBM), and the  
13 Commission on Information and Communications Technology based on a comprehensive job  
14 analysis and audit of actual duties and responsibilities. The compensation plan shall be subject  
15 to periodic review by the Commission, the CSC, DBM and CICT no more than once every two  
16 (2) years without prejudice to merit reviews or increases based on productivity and efficiency.

17 The compensation and other emoluments for personnel with high level of expertise and  
18 proficiency shall be exempted from the coverage of R.A. No. 6758, otherwise known as the  
19 “Salary Standardization Act.” For this purpose, the schedule of compensation of personnel with  
20 high level of expertise and proficiency as determined by the Commission, in consultation with  
21 the CSC, DBM, and the CICT shall be submitted for approval by the President of the  
22 Philippines. The new schedule of compensation shall be implemented within six (6) months  
23 from the effectivity of this Act and may be upgraded by the Commission as the need arises:  
24 *Provided*, That in no case shall the rate be revised more than once every two (2) years.

25  
26 **SEC. 11.** *Enhancement of Technical Competence.* – The Commission shall establish a  
27 rigorous training program, to include the setting up of training center, for its personnel to  
28 enhance the technical and regulatory competence of the Commission in the monitoring and

1 enforcement of laws, orders, rules and regulations of the Commission, and the compliance  
2 thereof.

3  
4 **SEC. 12. Congressional Oversight Committee on National Telecommunications**  
5 *Commission.* – There is hereby created a joint Congressional Oversight Committee, herein  
6 referred to as the “Oversight Committee” which shall be composed of the Chairman of the  
7 Senate Committee on Public Services and the Chairman of the House Committee on  
8 Communication and Information Technology, four (4) senators and four (4) representatives to be  
9 appointed by the Senate President and the Speaker of the House of Representatives, respectively.  
10 The Oversight Committee shall, among others, in aid of legislation:

- 11 (A) Monitor and ensure the proper implementation of this Act; and,  
12 (B) Ensure transparency and require the submission of all pertinent information including  
13 but not limited to, its collection performance data and its annual edited financial  
14 statements and on the conduct of programs, projects and policies relating to the  
15 implementation of this Act.

16 The Oversight Committee shall exist for a period of ten (10) years from the effectivity  
17 of this Act and may be extended by a Joint Concurrent Resolution.

18  
19 **SEC. 13. Annual Report.** – The Commission shall submit an annual report to both Houses  
20 of Congress not later than April 30 of each year, to include specific goals, objectives,  
21 accomplishments, plans and priorities of the Commission for the next five (5) years, as well as  
22 recommendations for legislative action to enable the Commission to achieve its objectives; and  
23 such other data as may be required from time to time.

24  
25 **SEC. 14. Funding.** – In addition to the sums to be appropriated for the Commission  
26 under the General Appropriations Act for the Fiscal Year following the approval of this Act, any  
27 savings in the appropriation of the Commission and fees collected by the Commission for the  
28 current fiscal year may also be used to implement the provisions of this Act. Thereafter, the

1 amount needed for such purpose shall be included in the subsequent annual General  
2 Appropriations Acts, or through special appropriations.

3

4 **SEC. 15. *Transitory Provisions.***

5 (a) Within ninety (90) days after the approval of this Act, the Commission shall draw the  
6 new structure and staffing pattern necessary to carry out the powers and functions of  
7 the newly organized Commission, in consultation with the CSC and the DBM, to be  
8 submitted to the CICT Secretary for approval.

9 (b) The current Commissioners and existing personnel shall continue to hold office until  
10 approval of the staffing pattern and new appointments are issued.

11 (c) Any personnel, whose positions are not included in the new position structure and the  
12 duly approved staffing pattern shall be deemed separated from the service. The  
13 officials and employees who are or wish to be separated as a result of the  
14 implementation of this Act shall be entitled to one and a half month separation pay for  
15 every year of service: *Provided*, that they have rendered continuous service in the  
16 Commission for at least ten (10) years: *Provided, further*, that for officials and  
17 employees with the Commission for the last five (5) years, they shall be entitled to  
18 one (1) month separation pay for every year of service and all other benefits accruing  
19 to them under the laws of general application enforced at the time of their separation.

20 (d) All regular or permanent employees who shall be affected by this Act shall not suffer  
21 any loss of seniority or rank or decrease in emoluments.

22

23 **SEC. 16. *Repealing Clause.*** – All laws, decrees, executive orders, rules and regulations  
24 and other issuances or parts thereof which are inconsistent with this Act are hereby repealed,  
25 amended or modified accordingly.

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27 **SEC. 17. *Separability Clause.*** – If any of the provisions of this Act shall be declared  
28 unconstitutional or invalid, the other provisions not otherwise affected shall remain in full force  
29 and effect.



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2        **SEC. 18. Effectivity Clause.** – This Act shall take effect immediately upon its approval.

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4        *Approved,*

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