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Introduced by Senator Miriam Defensor Santiago

## **EXPLANATORY NOTE**

Radio frequency identification (RFID) tags, which consist of silicon chips and an antenna that can transmit data to a wireless receiver, could one day be used to track everything from soda cans to cereal boxes. Unlike bar codes, which need to be scanned manually and read individually, radio ID tags do not require line-of-sight for reading. Within the field of a wireless reading device, it is possible to automatically read hundreds of tags a second. Not only can these tags be read faster than bar codes, they also contain more information, so they can recall items more efficiently.

The applications for this technology are seemingly endless. Radio ID tags can be installed in clothing labels, books, packaging, or even implanted beneath skin. Retailers in the United States are investing heavily in RFID technology to improve supply-chain efficiency and track products from the warehouse to the consumer's doorstep. With this technology increasingly becoming available in our country, there is a need to protect the consumers from the dangers that may come from its use. This bill seeks to provide safeguards in the use of radio frequency identification devices.<sup>1</sup>

MIRIAM DEFENSOR SANTIAGO

<sup>&</sup>lt;sup>1</sup> This bill was originally filed in the third regular session of the 14<sup>th</sup> Congress.

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OF THE PHILIPPINES	)			
First Regular Session	)			
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Introduced by Senator Miriam Defensor Santiago

## AN ACT

## PROTECTING THE USERS OF RADIO FREQUENCY IDENTIFICATION DEVICES

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

- SECTION 1. Short Title. This Act shall be referred to as the "RFID Users 3
- 4 Protection Act."

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- SECTION 2. Definition of Terms. As used in this Act, the following terms shall 5 mean:
- (a) "Identification device" means an item that uses radio frequency identification 7 technology; 8
  - (b) "Personal information" includes any of the following information associated with an individual: (1) Social security number; (2) driver's license number; (3) bank account number; (4) credit card or debit card number; (5) personal identification number; (6) automated or electronic signature; (7) unique biometric data; (8) account passwords; (9) telephone number; (10) address; (11) date of birth; or (12) any other piece of information that can be used to access an individual's financial accounts or to obtain goods or services, or offer goods or services based on that information without an individual's consent;
  - (c) "Radio frequency identification" or RFID means a technology that uses radio waves to transmit data remotely to readers;

1	(d) "Reader" means a scanning device that is capable of using radio waves to
2	communicate with an identification device and read the data transmitted by that
3	identification device;

- 4 (e) "Remotely" means that no physical contact between the identification device and
  5 the reader is necessary in order to transmit data;
- 6 (f) "Data" means personal information, numerical values associated with a person's
  7 facial features, or unique personal identifier numbers stored on an identification
  8 device;
- 9 (g) "Unique personal identifier number" means a randomly assigned string of 10 numbers or symbols that is encoded on the identification device and is intended to 11 identify the identification device.

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- SECTION 3. Notice requirement. Any person who sells, issues, or distributes items containing an electronic communication device must post a notice informing the consumer of the use of such technology. The notice must disclose the following information:
  - (a) The item contains or may contain an electronic communication device;
  - (b) The consumer has the legal right to request that an item containing an electronic communication device be removed or deactivated before the item leaves the premises; and
  - (c) The consumer has the right to request a copy of all personal information collected about himself or herself through an electronic communication device, including the identity of any person who has had access to the consumer's personal information.
- SECTION 4. Labelling requirement. A person must not sell, use or distribute an item that contains an electronic communication device without labelling the item with a notice stating that:

(a) The item contains an electronic communication device capable of engaging in electronic communication; and

- 3 (b) The device can transmit personal information to an independent reader or scanner both before and after purchase or issuance.
- SECTION 5. Requesting review of personal information. A consumer may request all stored personal information pertaining to himself or herself, including the identity of any individual or entity who has had access to the consumer's personal information. After reviewing one's personal information, the consumer must be given the opportunity to contest the accuracy of his or her personal data, correct or amend the data, and request that the information be removed or destroyed from the database, unless such removal or destruction is prohibited by law.
  - SECTION 6. Removal or deactivation. Upon request by a consumer, a person who sells, issues or distributes an item containing an electronic communication device must remove or deactivate the device before the consumer leaves the premises. Any costs associated with removal or deactivation cannot be passed on to the consumer. Once deactivated, it must not be reactivated without the express written consent of the consumer associated with the item.
  - SECTION 7. Security measures. Any person who sells or utilizes an electronic communication device must implement adequate security measures to ensure that information is secure from unauthorized access, loss or tampering. These security measures should be consistent with industry standards that are commensurate with the amount and sensitivity of the information being stored on the system.
  - SECTION 8. Unauthorized scanning and other prohibited uses. A person may not use an electronic communication device to remotely scan, or attempt to scan, an item associated with a consumer without the consumer's knowledge. A person may not disclose, either directly or through an affiliate, a consumer's personal information associated with information gathered by, or contained within, a device capable of

- engaging in electronic communication. A person may not use, either directly or through
- an affiliate or non-affiliated third party, information gathered by, or contained within, a
- device capable of engaging in electronic communication in order to identify a consumer.
- 4 SECTION 9. Penalty for unlawful scanning. A person that intentionally scans
- 5 another person's identification device remotely, without that person's prior knowledge
- and prior consent, for the purpose of fraud, identity theft, or for any other purpose, shall
- be subject to a fine of not less than Fifty Thousand Pesos (P50,000.00) but not more than
- 8 Five Hundred Thousand Pesos (P500,000.00);
- 9 SECTION 10. Separability Clause. If any part or provision of this Act is held
- invalid or unconstitutional, the other parts or provisions of this Act shall remain valid and
- 11 effective.
- SECTION 11. Repealing Clause. All laws, decrees, orders, proclamations, rules
- and regulations or parts thereof, inconsistent with the provisions of this Act are hereby
- repealed, amended or modified accordingly.
- SECTION 12. Effectivity Clause. This Act shall take effect fifteen (15) days
- from its publication in at least two (2) newspapers of general circulation.

Approved,