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SENATE

Senate Bill No. 1859

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Introduced by SENATOR JOSEPH VICTOR G. EJERCITO

EXPLANATORY NOTE

Republic Act (RA) No. 8792, otherwise known as the "Electronic Commerce Act of 2000" recognizes the use of electronic technology in commercial and non-commercial transactions. In fact, Section 27 thereof mandates all departments, bureaus, offices and agencies of the government, as well as all government-owned and -controlled corporations (GOCCs) to issue permits, licenses or certificates of registration or approval or provide for the method and manner of payment or settlement of fees and other obligations to the government utilizing electronic technology.

This bill intends to amend Section 27 and Section 33 of RA 8792 to fully implement the use of electronic documents and signatures in government transactions and realize less paperwork in practically all aspects of government transactions. It also seeks to require the government agencies to submit annual report status to the congressional oversight committee to ensure compliance with the mandate of the law. Likewise, it seeks to impose the corresponding administrative sanctions for non-compliance therewith.

Hopefully, requiring the departments, bureaus, offices and agencies of the government, as well as all GOCCs and LGUs to transact business in electronic form will improve and simplify public service and reduce the expense of the government.

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

JOSEPH VICTOR G. EJERCITO

SENATE OF THE PHILIPPINES) SIXTEENTH CONGRESS)

First Regular Session



"13 OCT 16 M1 :08

SENATE

Senate Bill No. ____1859

RECEIVED BY.

Introduced by SENATOR JOSEPH VICTOR G. EJERCITO

AN ACT

PROVIDING FOR THE FULL IMPLEMENTATION OF THE USE OF ELECTRONIC DOCUMENTS AND SIGNATURES IN GOVERNMENT TRANSACTIONS, AMENDING FOR THE PURPOSE REPUBLIC ACT NUMBERED 8792, OTHERWISE KNOWN AS THE "ELECTRONIC COMMERCE ACT OF 2000"

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

SECTION 1. Section 27 of Republic Act No. 8792 is hereby amended to read as follows:

"Section 27. Government Use of Electronic Data Messages, Electronic Documents and Electronic Signatures. – Notwithstanding any law to the contrary, within two (2) years from the date of the effectivity of this Act, all departments bureaus, offices and agencies of the governments as well as all government-owned and -controlled corporations AND ALL LOCAL GOVERNMENT UNITS, that pursuant to law require or accept the filing of documents, require that documents be created, or retained and/or submitted, issue permits, licenses or certificates of registration or approval, or provide for the method and manner of payment or settlement of fees and other obligations to the government, shall –

- (a) accept the creation, filing or retention of such documents in the form of electronic data messages or electronic documents;
- (b) issue permits, licenses, or approval in the form of electronic data messages or electronic documents;
- (c) require and/or accept payments, and issue receipts acknowledging such payments, through systems using electronic data messages or electronic documents; or
- (d) transact the government business [and/or] **OR** perform governmental functions using electronic data messages or electronic documents, and for the purpose, are authorized to adopt and promulgate, after appropriate public hearing and with due publication in newspapers of general circulation, the appropriate rules, regulations, or guidelines, to among others, specify:
- 1) the manner and format in which such electronic data messages or electronic documents shall be filed, created, retained or issued;

2) where and when such electronic data messages or electronic documents have to be signed, the use of an electronic signature, the type of electronic signature required;

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- 3) the format of an electronic data message or electronic document and the manner the electronic signature shall be affixed to the electronic data message or electronic document;
- 4) the control processes and procedures as appropriate to ensure adequate integrity, security and confidentiality of electronic data messages or electronic documents or records or payments;
- 5) other attributes required of electronic data messages or electronic documents or payments; and
- 6) the full or limited use of the documents and papers for compliance with the government requirements: *Provided*, That this Act shall by itself mandate any department of the government, organ of state or statutory corporation to accept or issue any document, in the form of electronic data messages or electronic documents upon the adoption, promulgation and publication of the appropriate rules, regulations, or guidelines.

THE HEADS OF DEPARTMENTS, BUREAUS, OFFICES AND AGENCIES OF THE GOVERNMENT, GOVERNMENT-OWNED AND CONTROLLED CORPORATIONS AND LOCAL GOVERNMENT UNITS SHALL SUBMIT AN ANNUAL REPORT TO THE CONGRESSIONAL OVERSIGHT COMMITTEE CREATED UNDER SECTION 35 HEREOF RELATIVE TO THEIR COMPLIANCE WITH THE MANDATE OF THIS ACT."

SEC. 2. Section 33 of the same Act is hereby amended to read as follows:

"SEC. 33. *Penalties*. The following Acts shall be penalized by fine [and/or] **OR** imprisonment **OR BOTH**, as follows:

X	X	Х;
X	X	X; X;
X	X	X;

THE HEADS OF THE GOVERNMENT DEPARTMENTS, BUREAUS, OFFICES AND AGENCIES OF THE GOVERNMENT, GOVERNMENT-OWNED AND -CONTROLLED CORPORATIONS AND LOCAL GOVERNMENT UNITS WHO FAIL TO.COMPLY WITH THE MANDATE OF SECTION 27 OF THIS ACT SHALL BE ADMINISTRATIVELY LIABLE UNDER EXISTING CIVIL SERVICE LAWS AND REGULATION; AND

- **E)** Other violations of the provisions of this Act, shall be penalized with a maximum penalty of One million pesos (P1,000,000.00) or six (6) years imprisonment."
- SEC. 3. **Effectivity.** This Act shall take effect fifteen (15) days after publication in the Official Gazette or in two (2) national newspapers of general circulation.

Approved,