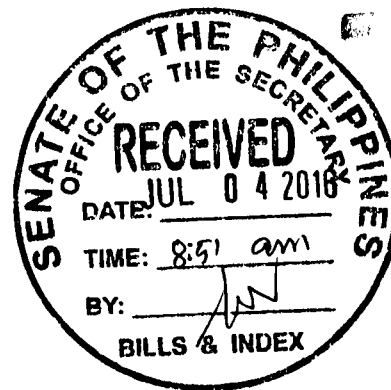


SEVENTEENTH CONGRESS OF THE REPUBLIC }
OF THE PHILIPPINES }
First Regular Session }

SENATE
S.B. No. 252



Introduced by **SENATOR LACSON**

EXPLANATORY NOTE

The latest trends in information technology, particularly in the field of telecommunications, are greatly felt in our country. Almost all Filipinos nowadays own and use cellular phones to exchange voice calls and text messages, giving the Philippine the distinction of being the text-messaging capital of the world. Not only that – we use our phones, tablets and other smart mobile devices also to connect to the internet and avail of online services. With the use of such devices, business transactions as well as everyday living have become more effective and efficient.

Many owners of such devices prefer to use the pre-paid subscriber identity module (SIM) card. Not only is this pre-paid SIM card easily accessible, i.e., it can be bought almost everywhere, the owners thereof can likewise easily evade detection since prepaid SIM cards are virtually undetectable. Due to this, unscrupulous individuals almost always take advantage of the same in the pursuit of their criminal activities to the detriment not only of a particular interest but that of the whole nation.

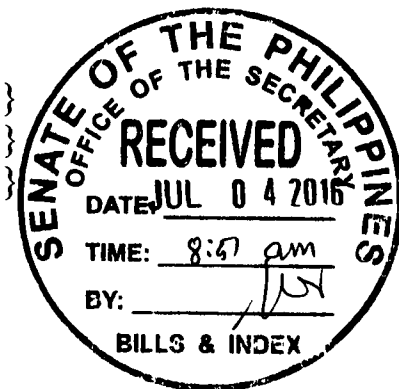
The proposed bill therefore seeks to address the above-mentioned problem being brought about by the proliferation of pre-paid SIM card. It provides for a system of regulating the sale and/or disposition of pre-paid SIM cards and also puts into place the procedures to be followed if a member of the law enforcement agency and/or officer would like to retrieve information concerning the owner of a pre-paid SIM card that had been used in a criminal or illegal activity without prejudice to the rights of the registered owner under existing law. With this in mind, it is hoped that the proposal will contribute in one way or the other, in providing solution to our recurrent peace and order problem.

Every new technology carries with it tremendous responsibility. The technology should be used for the advancement of the interest of all and not only of a chosen few. It therefore becomes our imperative duty as lawmakers to ensure that the benefits we derive for this technology should be used properly and not abused by some segments of our society.

It is for this reason and the advancement of the common good that early passage of this bill is earnestly sought.


PANFILO M. LACSON
Senator

SEVENTEENTH CONGRESS OF THE REPUBLIC
OF THE PHILIPPINES
First Regular Session



SENATE
S.B. No. 252

Introduced by **SENATOR LACSON**

**AN ACT
REGULATING THE SALE OF PREPAID SUBSCRIBER IDENTITY
MODULE (SIM) CARDS, PROVIDING PENALTIES FOR VIOLATION
THEREOF, AND FOR OTHER PURPOSES**

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

1 SECTION 1. *Title.* - This Act shall be known as the “*Prepaid*
2 *Subscriber Identity Module (SIM) Cards Regulations Act of 2016*”.

3 SECTION 2. *Declaration of Policy.* - The State recognizes the vital role
4 of communication and information in nation building. The introduction of
5 modern telecommunications technology with the view of providing the widest
6 information dissemination is greatly encouraged. However, possession of the
7 most modern technology comes with tremendous responsibility. A mechanism
8 must be put in place to ensure its effective use for the good of all while
9 preventing its illegal or malicious use to benefit a few. Towards this end, the
10 State shall regulate the use and sale of prepaid SIM cards for users of cellular
11 phones and other mobile devices only to persons who shall comply with the
12 requirements herein set forth.

1 SECTION 3. *Registration Requirement.* - All persons desiring to own
2 and/or use prepaid SIM cards for cellular phones and other mobile smart devices
3 shall, before the actual purchase thereof, prepare and accomplish before any
4 corporation, partnership, single proprietorship authorized to deal and/or sell the
5 said product a registration form which shall contain the following information:

6 (a) Full name and complete address of the buyer, which shall be
7 accompanied by any of the following documents, to wit:

- 8 1. A Valid Identification Card with photograph;
- 9 2. A Valid Passport;
- 10 3. Driver's License;
- 11 4. Social Security System Identification Card;
- 12 5. Company Identification Card;
- 13 6. Government Service Insurance System Identification Card;
- 14 7. Voter's Identification Card;
- 15 8. Senior's Citizen Card;
- 16 9. School Identification Card.

17 (b) The telephone number of the Prepaid Subscriber Identity Module
18 (SIM) Card that will be issued.

19 SECTION 4. *Recording by the Corporation, Partnership, Single*
20 *Proprietorship or Authorized Dealer and the Telecommunications Service*
21 *Provider.* - The corporation, partnership or single proprietorship authorized to
22 deal and/or sell prepaid SIM cards shall keep a record of the names and other
23 data of all persons who purchased a prepaid SIM card. A certified copy of the
24 registration and/or information sheet prepared by the would-be buyer shall then

1 be transmitted to the Telecommunication Service Provider which shall file and
2 keep a record of the same in a data base to be created for the purpose.

3 The copy of the registration and/or information sheet submitted to the
4 Telecommunications Service Provider shall be certified to by the President,
5 General Manager, Treasurer or any other responsible officer of the corporation
6 or partnership, or the owner in case of single proprietorship authorized to deal
7 and/or prepaid SIM card.

8 SECTION 5. *Inquiry into the Telecommunications Service Provider's*
9 *Database.* - If the user of a cellular phone with prepaid SIM card shall use the
10 same in the commission of a crime or for any malicious fraudulent or illegal
11 purpose, a court of competent jurisdiction may, by written order, authorize the
12 appropriate law enforcement authority to look into the records of the owner of
13 the prepaid SIM card used in the commission of the above-mentioned acts with
14 the Telecommunications Service Provider keeping records of the same:
15 *Provided, That,* such written order shall only be granted upon application in
16 writing of any law enforcement agency and/or officer and only upon
17 examination under oath or affirmation of the applicant and the witnesses he may
18 produce and upon the court being satisfied that: (1) there is reasonable ground
19 to believe that the prepaid SIM card has been used in the commission of a crime
20 or for a malicious, fraudulent or illegal purpose; (2) that there is reasonable
21 ground to believe that the owner of the said prepaid SIM card is probably the
22 perpetrators of the same; and (3) there is no other speedy and adequate means
23 readily available to obtain such facts and information.

24 The written order issued by the court for this purpose shall specify: (1)
25 the name of the law enforcement agency and/or officer authorized to look into

1 the database of the Telecommunications Service Provider; (2) instruct the
2 Telecommunications Service Provider to furnish the information requested; (3)
3 direct the law enforcement agency and/or officer to use the information obtained
4 in accordance with the written application; and (4) specify the period of the
5 written order which shall not exceed thirty (30) days unless extended or renewed
6 by the court issuing the same upon good cause shown.

7 SECTION 6. *Telecommunications Service Provider's Report.* - The
8 Telecommunications Service Provider to whom the records of all purchases of
9 prepaid SIM card has been forwarded by the corporation, partnership or single
10 proprietorship authorized to deal and/or sell the same shall forthwith prepare
11 duplicate copies of its record containing the names and other data of all
12 registered owners of prepaid SIM cards. The duplicate copies of its record shall
13 be furnished the National Telecommunications Commission and the Bureau of
14 Internal Revenue.

15 SECTION 7. *Penal Provisions.*

16 (a) *For Failure to Comply with the Registration Requirement:* Any
17 corporation, partnership, single proprietorship or any authorized dealer of
18 prepaid SIM cards who shall commit a violation of Sec. 3 hereof shall suffer the
19 following penalties:

- 20 i. A fine of twenty-five thousand pesos (P25,000.00) for the first offense;
- 21 ii. A fine of fifty thousand pesos (P50,000.00) for the second offense;
- 22 iii. A fine of one hundred thousand pesos (P100,000.00) for the third
23 offense and imprisonment from six months and one day to four years.

24 In addition, the license or authority of the corporation, partnership,
25 single proprietorship or the authorized dealer shall likewise be revoked

1 or cancelled; Provided, That, the penalty of imprisonment shall be
2 imposed on the President, General Manager, Treasurer or other
3 responsible officer of the corporation or partnership or the owner in
4 case of a single proprietorship.

5 (b) *For failure to keep record.* - The penalty of imprisonment ranging
6 from thirty days and one (1) day to six months or a fine of fifty thousand pesos
7 (P50,000.00) shall be imposed upon the President, General Manager, Treasurer
8 or other responsible officer of the corporation or partnership or the owner in
9 case of a single proprietorship who shall commit a violation of Sec. 4 hereof.

10 (c) *Breach of Confidentiality.* - The penalty of imprisonment ranging
11 from four years and one day to six years or a fine of fifty thousand pesos
12 (P50,000.00) shall be imposed upon any employee of the corporation,
13 partnership or single proprietorship authorized to deal and/or sell prepaid SIM or
14 the Telecommunications Service Provider who shall reveal the name of the
15 registered owner of a prepaid SIM card which is not in accordance with the
16 provisions of Sec. 5 hereof.

17 The same penalty shall be imposed upon any employee of the
18 Telecommunications Service Provider who, despite the written order issued by a
19 competent court, shall refuse the law enforcement agency and/or officer access
20 to the information specified in said written order.

21 SECTION 8. *Implementing Rules and Regulations.* - Within sixty (60)
22 days from the approval of this Act, the Department of Justice (DOJ) in
23 coordination with the National Telecommunications Commission shall issue the
24 necessary rules and regulations to implement its provisions.

1 SECTION 9. *Separability Clause.* - If, for any reason, any provision or
2 section of this Act shall be held to be unconstitutional or invalid, the other
3 provisions or sections hereof which are not affected thereby shall continue to be
4 in full force and effect.

5 SECTION 10. *Effectivity.* - This Act shall take effect fifteen (15) days
6 after the completion of its publication in the Official Gazette or in at least two
7 (2) newspaper of general circulation.

8 *Adopted,*