

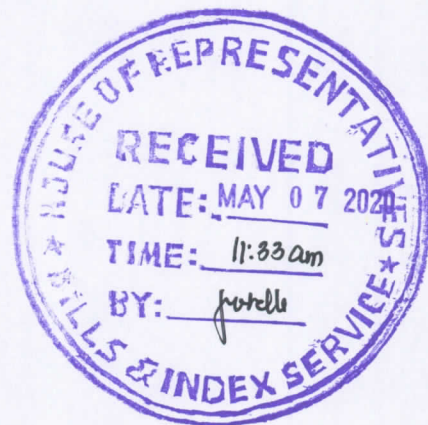


Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City, Metro Manila

18th Congress
First Regular Session

Office of the Minority Floor Leader

HOUSE BILL No. 6701



INTRODUCED BY REP. BIENVENIDO "BENNY" M. ABANTE, JR.

**AN ACT
AMENDING RA 7925 BY ABOLISHING THE NATIONAL
TELECOMMUNICATIONS COMMISSION (NTC) AND
TRANSFERRING ITS POWERS AND FUNCTIONS TO THE
DEPARTMENT OF INFORMATION AND COMMUNICATIONS
TECHNOLOGY (DICT)**

EXPLANATORY NOTE

This bill seeks to amend RA 7925 [AN ACT TO PROMOTE AND GOVERN THE DEVELOPMENT OF PHILIPPINE TELECOMMUNICATIONS AND THE DELIVERY OF PUBLIC TELECOMMUNICATIONS SERVICES] by abolishing the National Telecommunications Commission (NTC) and transferring its powers and functions to the Department of Information and Communications Technology (DICT).

Our National Telecommunications Commission (NTC), supposedly in charge of regulating and promoting the telecommunications industry has turned out to be one of the most inept and useless agencies whose only relevance lies in being another model for sheer wastage of taxpayer money. Its failure all these years to invoke sanctions against the companies poorly serving the people's telecommunications needs is a perfect reason to abolish it already. But the latest act of the NTC in issuing a cease and desist order against broadcast company ABS-CBN is a slap in the face of Congress and an outright act of defiance.

The House Committee on Legislative Franchises in February 2020 urged the NTC to grant provisional authority to ABS-CBN until it “has made a decision on its application.” No less than House Speaker Alan Peter Cayetano and Palawan Rep. Franz Alvarez, chair of the House Committee on Legislative Franchises, already sent a letter to NTC urging it to issue a provisional authority effective May 4, 2020. The Senate also passed a resolution calling on the NTC to issue a provisional authority to ABS-CBN.

The NTC requested for a legal opinion from the Department of Justice. The opinion given by DOJ Secretary Menardo Guevarra is to the effect that there is basis for ABS-CBN to be given authority to continue operating while its franchise renewal is pending, to wit:

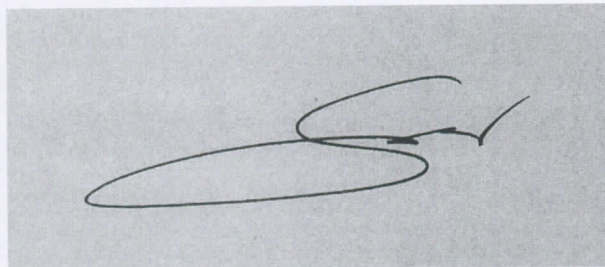
“There is sufficient equitable basis to allow broadcast entities to continue operating while the bills for the renewal of their respective franchise remain pending with Congress. However, a more stable legal environment could be created if Congress, by a concurrent resolution, would authorize the NTC to issue a provisional authority to these broadcasting companies...until Congress’ final disposition of their franchise renewal bills.”

On this basis, NTC Commissioner Gamaliel Cordoba told the House Committee on Legislative Franchises on March 10 -- UNDER OATH that the NTC will issue a Provisional Authority (PA) to ABS-CBN.

Contrary to its previous pronouncements, the NTC issued a Cease and Desist Order directing ABS-CBN to cease operations immediately.

This brazen act of the NTC is an open defiance and an insult to Congress. The NTC should be abolished and its functions and powers be transferred to the DICT where it can be better exercised and hopefully be more responsive to the needs of our changing times.

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

A handwritten signature in black ink, appearing to read 'Benny M. Abante, Jr.', is centered on a light gray rectangular background.

BIENVENIDO “BENNY” M. ABANTE, JR.

Minority Leader

Representative - 6th District of Manila

HOUSE OF REPRESENTATIVES

H.B. No. 6701

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AN ACT
AMENDING RA 7925 BY ABOLISHING THE NATIONAL
TELECOMMUNICATIONS COMMISSION (NTC) AND
TRANSFERRING ITS POWERS AND FUNCTIONS TO THE
DEPARTMENT OF INFORMATION AND COMMUNICATIONS
TECHNOLOGY (DICT)

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

1 SECTION 1. *Short Title.*- This Act shall be known as the NTC ABOLITION ACT of
2 2020.

3
4 SECTION 2. *Policy.*- It is the policy of the State:

- 5 a. To recognize the vital role of information and telecommunications in nation-
6 building;
7 b. To ensure the provision of a strategic, reliable, cost-efficient and citizen-centric
8 information and communications technology (ICT) infrastructure, systems and
9 resources as instruments of good governance and global competitiveness by
10 merging the functions and powers of the National Telecommunications
11 Commission within the Department of Information and Communications
12 Technology (DICT) framework;
13 c. To promote a unified and comprehensive plan towards a policy environment
14 that will promote a broad market-led development of the ICT and ICT-enabled
15 services (ICT-ES) sectors, including the telecommunication sector; and
16 d. To provide oversight over agencies governing and regulating the ICT and
17 telecommunications sector under one department (DICT) and ensure
18 consumer protection and welfare, data privacy and security, foster competition
19 and the growth of the ICT and telecommunication sectors.
20

21 SECTION 3. *Abolition of the National Telecommunications Commission (NTC).*-

- 22 A. The National Telecommunications Commission created under Executive
23 Order No. 546 promulgated on July 23, 1979, and Article III, Section 5 of RA
24 7925 is hereby abolished.

B. Article III, Section 5 of RA 7925 is hereby amended by replacing the -- National Telecommunications Commission (NTC) -- with the -- Department of Information and Communications Technology (DICT).

C. All reference or mention of National Telecommunications Commission (NTC) -- in the other sections of RA 7925 is hereby amended to read as and refer to the -- Department of Information and Communications Technology (DICT). All other provisions of RA 7925 shall remain valid and effective.

D. All assets, real and personal properties, including existing appropriation and monies allocated for the NTC are hereby transferred to the DICT for proper disposition.

E. The DICT, in coordination with the Civil Service Commission, shall handle all the legal procedures and requirement for the transfer of necessary personnel from the NTC to the DICT and the termination of personnel with redundant positions. The DICT shall determine which personnel are necessary and which positions are redundant.

F. All contracts, records and documents relating to the powers and functions of the NTC, in all its offices, are hereby transferred to the DICT.

SECTION 4. *Sale of Assets.*- The DICT, in coordination with the Commission on Audit (COA) shall conduct a complete accounting and inventory of all assets of the NTC, to determine and ascertain their nature, description, amount and value, as well as other rights and obligations pertaining thereto, if any.

The DICT Secretary is hereby authorized to enter into sales through public bidding, negotiated sale, lease or any other form of divestment or transmission of rights over assets of the NTC and the money or proceeds of such sale shall be remitted to the Bureau of Treasury.

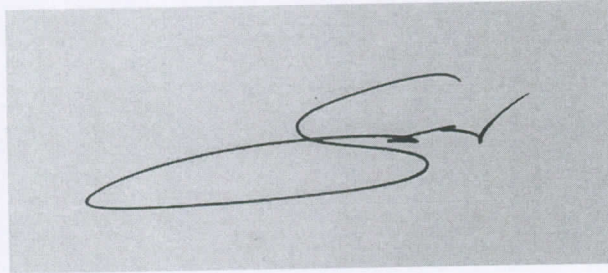
SECTION 5. *Separation and Retirement Benefits.*- Officials and employees of the NTC who chose to separate from government service or who shall choose to retire, if eligible, shall be given a Severance and Mitigation Package (SMP) in addition to any separation and retirement package to which they may be entitled to under existing laws, rules and regulations. The needed fund for the SMP may be taken from the proceeds of sale of the assets of the NTC remitted to the Bureau of Treasury.

SECTION 6. *Implementing Rules and Regulations.*- Within ninety (90) days from the date of effectivity of this Act, the DICT shall formulate the Rules and Regulations for the proper implementation of this Act.

SECTION 7. *Repealing Clause.*- Executive Order No. 546 promulgated on July 23, 1979 is hereby expressly repealed. All other laws, decrees, ordinances, administrative orders, rules and regulations, or any part thereof, which are inconsistent with this Act are likewise repealed or amended accordingly.

SECTION 8. *Separability Clause.*- Should any provision of this Act be subsequently declared unconstitutional, the other provisions not so declared shall remain in full force and effect.

- 1 SECTION 9. *Effectivity*. - This Act shall take effect fifteen (15) days after its publication in
2 the Official Gazette and at least two (2) newspapers of national circulation.
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4 Approved.

A handwritten signature in black ink, featuring a large, stylized 'B' and 'A' that are connected, with a checkmark-like flourish at the end.

BIENVENIDO "BENNY" M. ABANTE, JR.
Minority Leader
Representative - 6th District of Manila