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

SIXTEENTH CONGRESS First Regular Session

HOUSE BILL NO. 5514



Introduced by Representative ROMAN T. ROMULO

EXPLANATORY NOTE

The Section 9, Article XVI of the 1987 Philippine Constitution provides that:

"The State shall protect consumers from trade malpractices and from substandard or hazardous products."

The advent of new technologies and its swift development has brought the society both positive and negative impacts. In order to manage and curtail the growing number of fraudulent or unwanted commercial offers for goods and services and intrusion to one's privacy, the government must set reasonable regulations to promote sound and acceptable commercial practices which respects the privacy and right of choice of consumers.

This bill would prevent unwanted calls and text that intrudes, disturb and disrupt the activity of any individual and require a more responsible and accountable business practice. The freedom of the business-oriented person or entities to promote and sell its goods and services ends where the freedom of individuals to privacy is exercised.

Through the passage of this Bill, the consumers would be protected from unsolicited calls and texts with an end view of empowering them with the freedom to choose their transactions and maintaining consumers' right to be let alone.

For these reasons, the passage of this bill is earnestly sought.

ROMAN T. ROMULO

R R

Republic of the Philippines HOUSE OF REPRESENTATIVES

Quezon City, Metro Manila

SIXTEENTH CONGRESS First Regular Session

HOUSE BILL NO. 5514

Introduced by Representative ROMAN T. ROMULO

AN ACT PROVIDING FOR THE ESTABLISHMENT OF THE NO CALLS AND NO TEXT REGISTRATION SYSTEM AND FOR OTHER PURPOSES

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

Section 1. Short Title - This Act shall be known as the "No Calls and No Text Registration Act of 2019",

Section 2. Declaration of Policy – It is the policy of the State to protect and promote the right of consumers to privacy and protect them from unwanted calls and texts inducing purchase of goods or services and solicitations,

Section 3. Definition of Terms - As used in this Act:

- (a) "Caller and/or Sender" refers to any person, including its employees and agents, who initiate a call and/or text message for the purpose of making an outbound and/or unsolicited call and/or text messages;
- (b) "Negative Option" refers to a feature which shall enable a person to stop receiving any call and text from a caller and/or sender;
- (c) "Outbound call and/or text" refers to a telephone call or text message initiated by any person to induce the purchase of goods and services;
 - (d) "Person" refers to any person whether natural or juridical;
- (e) "Prize" refers to anything offered, or purportedly offered, and given, or purportedly given, to a person by chance;
- (f) "Prohibited call and/or text" refers to a hoax, junk and/or scam call and/or text. This message includes, but is not limited to, the following:
- (1) Message congratulating the recipient for winning any prize in a promo or award of prize when the recipient did not join or subscribe to any game or activity of chance;
- (2) Message supposedly coming from a relative abroad asking the recipient to reload their "new" roaming number;

- (3) Message requiring the recipient to register by texting his or her name and other personal details to a phone number; or
 - (4) Any other similar call and/or text message;
 - (g) "Text" refers to any message sent via short message service (SMS);
- (h) "Upselling" refers soliciting the purchase of goods or services following an initial transaction during a single telephone call or text message' and
- (i) "Unsolicited call and/or text" refers to a call or text message which is not initiated by the recipient of the call and/or message such as, but not limited to, upselling, surveys, award of prize when the recipient did not join or subscribe to any game or activity and/or solicitation to any non-profit and charitable institution whether or not the call and/or text message induce purchases of goods or services.
- Section 4. Establishment of the No Calls and No Text Registry The National Telecommunications Commission (NTC) shall establish a No Calls and No Texts Registry: Provided, that the identity and privacy of the persons registered shall be kept highly confidential such that only the telephone numbers may be accessed from the registry.

Any person shall register first with the NTC before they can access the telephone numbers in the no Calls and No Texts Registry.

Section 5. Allowable Telephone Numbers Registered Per Person – Any person shall only be allowed to register up to three (3) mobile phone numbers regardless of the network provider: Provided, That the registration of mobile numbers of persons below 18 years of age may be done by their parents and/or legal guardian.

Registration of fixed telephone numbers shall only be allowed for residential lines.

Section 6. Registration in the No Calls and No Text Registry - Outbound and unsolicited calls and/or text message may be manage or limited by any cellular telephone user by registering in the No Calls and No Text Registry of the NTC.

No outbound and unsolicited calls and/or texts shall be made and/or sent to the telephone numbers on the No Calls and No Texts Registry.

Section 7. Negative Option Requirement - A person whose number is not registered in the No Calls and No Texts Registry may manage and limit outbound and unsolicited calls and/or texts messaging through the negative option feature.

Any caller and/or sender shall set-up a negative option which shall be available to the recipient immediately upon answering the call and/or at the beginning of the text after providing the required information under Section 8 of this Act.

Upon selection of the negative option feature, the caller and/or sender shall not make any further steps to persuade the recipient and immediately stop making any calls and/or sending any texts to the recipient: Provided, That the recipient shall report and register the name and the number of the person, company and/or organization that made the call and/or sent the message to the No Calls and No Text Registry in order to make the caller and/or sender liable for violation of this Act for any subsequent calls and/or text message: Provided, further,

that this prohibition shall apply to the caller and/or sender regardless of other goods and/or services offered and other telephone number used to contact the recipient.

Section 8. Information Requirement of the Caller and/or Sender - It shall be unlawful to make an outbound and/or unsolicited call and/or text message without disclosing the full name of the person making the call and/or sending the text message, the company or organization for whose benefit the call and/or text message is being made, and the telephone number of a fixed line where such identity can be established and verified: Provided, That noncompliance with this section shall constitute an outright violation of and shall be punishable under this Act.

Section 9. *Removal of Numbers* - Telephone numbers registered in the No Calls and No Text Registry shall not be changed or removed except upon the request of the owner in writing and those invalid and disconnected telephone numbers upon adequate validation of the NTC.

Section 10. Liability of Callers and/or Senders - Any person who commits any violation under this Act who acts either for his or her own benefit and/or for the benefit of another person, company, organization and/or association which did not officially engaged his or her services shall both held separately liable for any violation under this Act.

It shall be the responsibility of any caller and/or sender to register under Section 4 hereof and to be inform itself of the numbers which have registered in the No Calls and No Texts Registry. It shall be considered prima facie evidence of knowledge on the part of the caller and/or sender where the telephone number of the recipient is registered on the No Calls and No Texts Registry prior to the date the call and/or text message is made in violation of this Act. Non-registration of the caller and/or sender as required under Section 4 of this Act shall not be an excuse from any liability.

The use of an automatic dialer or any electronic device that automatically and/or randomly contacts telephone numbers is prohibited. Any person, company, organization and/or association who uses the same shall be held liable.

Section 11. Exception - This Act shall not apply to a call and/or text message made in order to remind, collect, and/or update the recipient of his or her existing bills and/or credit subject to applicable laws and pertinent rules and regulations of the Bangko Sentral ng Pilipinas and other applicable laws.

Section 12. *Penalties* - Any person found to be in violation of the provisions of this Act shall be imposed the following penalties, without prejudice to administrative sanctions that may be imposed by the NTC, without prejudice to civil or criminal liability:

- (a) Any juridical person who violates the provisions of this Act or its implementing rules and regulations shall suffer the penalty of a fine of not less than Fifty Thousand pesos (P50,000) nor more than One Hundred Thousand pesos (P100,000.00) for each violation: Provided, that its officers directly responsible for the violation shall suffer the penalty of a fine of not less than Fifty Thousand pesos (P50,000.00) but not more than One Hundred Thousand pesos (P100,000.00); or
- (b) Any person who violates the provisions of this Act, or its implementing rules and regulations shall suffer the penalty of a fine of not less than Fifty Thousand pesos (P50,000.00) but not more than One Hundred Thousand pesos (P100,000.00).

Section 13. Implementing Rules and Regulations - Within ninety (90) days from the effectivity of this Act, the Department of Trade and Industry, in coordination with the National Telecommunication Commission (NTC) and the Department of Science and Technology-Information and Communications Technology Office, shall promulgate the rules and regulations for the effective implementation of this Act.

Section 14. *Implementing Agency* - The NTC shall enforce the provisions of this Act and its implementing rules and regulations.

Section 15. Funding - The NTC shall immediately include in its programs the implementation of this Act, the initial funding of which shall be charged against its current year's appropriation. Thereafter, such sums as may be necessary for the continued implementation of this Act shall be included in the annual General Appropriation Act.

Proceeds from penalties herein imposed shall accrue to the general fund.

Section 16. Separability Clause – If any part or provision of this Act shall be held unconstitutional or invalid, the other provisions hereof that are not affected thereby shall continue to be in full force and effect.

Section 17. Repealing Clause - All other laws, decrees, executive orders, proclamations and administrative regulations or parts thereof inconsistent herewith are hereby repealed or modified accordingly.

Section 18. Effectivity Clause - This Act shall take effect fifteen (15) days after its publication in the Official Gazette or in newspaper of general circulation.

Approved.