

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

SEVENTEENTH CONGRESS
First Regular Session

HOUSE BILL NO. 2328

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Introduced By: REPRESENTATIVE MAGNOLIA ROSA C. ANTONINO

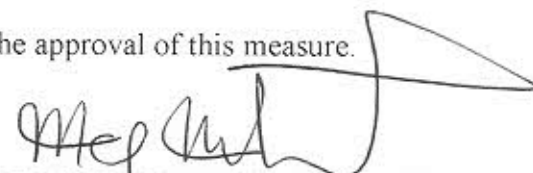
EXPLANATORY NOTE

This bill seeks to require the registration of all users of prepaid Subscribers Identity Module (SIM) Cards and to provide penalties for any violation thereof. It was originally filed in the 16th Congress as House Bill No. 2588 and was reported out by the Committee on Information Communication Technology under Substitute Bill No. 5231. Due to lack of material time, Congress failed to enact into law this important piece of legislation.

It must be noted that the use of SIM Cards has become more of a security concern that many countries in the world like Australia, Switzerland, Singapore, etc. had required their registration. In the Philippines, there have been numerous cases when SIM Cards had been used in the commission of crimes like in demanding ransom, in text scam and even to detonate bombs, and the criminals simply got away with such crimes as the identity of the user could not be determined. Let us put a quietus to these criminal activities.

While there are sectors opposing this measure, majority of the Filipinos have been clamoring for the passage of this bill. The rationale behind this important piece of legislation is to improve efficiency in law enforcement and to address national security activities.

The foregoing reasons warrant the approval of this measure.



MAGNOLIA ROSA C. ANTONINO

Representative
Fourth District, Nueva Ecija

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HOUSE BILL NO. 2328

Introduced By: REPRESENTATIVE MAGNOLIA ROSA C. ANTONINO

AN ACT
REQUIRING THE REGISTRATION OF ALL USERS OF PREPAID
SUBSCRIBER IDENTITY MODULE (SIM) CARDS AND PROVIDING
PENALTIES THEREFOR

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

SECTION 1. *Short Title.* – This Act shall be known as the “*Subscriber Identity Module (SIM) Card Registration Act*”.

SEC. 2. *Declaration of Policy.* – The State recognizes the vital role of information and communication technology in nation building.

The introduction of modern telecommunications technology with the view of providing the widest information dissemination is greatly encouraged but possession of the most modern technology carries with it great responsibility. There is a need therefore to install an effective mechanism that will prevent an illegal or malicious purpose for the greater good of all. Toward this end, the paramount objectives of the State must be protected by requiring the registration of all users of prepaid subscriber identity module (SIM) cards.

SEC. 3. *Definition of Terms.* – As used in this Act:

- a) *Direct seller* refers to a person or entity, whether natural or juridical, who directly dispenses or sells a SIM card to an end user;
- b) *End User* refers to any individual/subscriber who directly purchases a SIM card from a direct seller for personal use;
- c) *Postpaid Mobile Phone* refers to a mobile phone, the service of which is provided by a prior arrangement with a public telecommunications entity and the user thereof is billed at the end of the monthly billing cycle according to the use of mobile services;

- d) **Prepaid Mobile Phone** refers to a mobile phone for which credit is purchased in advance of service use. The purchased credit is used to pay for mobile phone services at the point the service is accessed or consumed. If there is no available credit then access to the requested service is denied;
- e) **Public Telecommunications Entity** or PTE refers to any duly enfranchised and authorized public telecommunications entity that offers voice, short messaging system (SMS/text), mobile data, value-added services (VAS) or any other telecommunication services to the public for a fee;
- f) **SIM Card** refers to the SIM which is an integrated circuit that securely stores the international mobile subscriber identity and the related key used to identify and authenticate subscribers on mobile telephony devices, such as mobile phones and computers. A SIM card is a removable plastic into which a SIM circuit is embedded and can be transferred between different mobile devices; and
- g) **SIM Card Registration** refers to the process of recording and verifying mobile phone number and personal information of a subscriber, by a PTE or other direct seller, including the subscriber's photograph, name, date of birth, gender and address.

SEC. 4. Sale and Registration of SIM cards. – Every direct seller shall require the end user of a SIM card to present a valid identification with photo to ascertain the latter's identity. The direct seller shall further require the end user to accomplish and sign a control numbered registration form issued by the respective PTE of the SIM card being purchased. The registration form shall include an attestation by the end user that the person personally appearing before the direct seller and the identification documents presented are true and correct and that the person is one and the same who had accomplished and signed the registration form.

Except in cases where PTE is the direct seller, the accomplished registration form must be submitted to the concerned PTE within fifteen (15) days from the date of sale. The confidentiality clause in the SIM card registration under Section 9 hereof shall start to apply at the point of sale.

An end user who does not produce valid identification with photo, and fails to accomplish a registration for in accordance with the preceding paragraph shall be refused the sale of a SIM card by the direct seller. The direct seller shall only issue the SIM card to the end user after compliance with the requirements mentioned above and in the succeeding sections.

SEC. 5. Registration of SIM Cards by a Representative. – Any person who wants to purchase a SIM card but cannot personally register with the direct seller may, for valid reason, authorize another to register on the persons' behalf, subject to the following conditions:

- a) the representative is authorized through a duly notarized Special Power of Attorney; and

- b) the principal and the representative should present an original and a true and clear copy of any of the valid identification cards with photo listed in Section 6 (a) hereof.

In case the person intending to purchase a SIM card is a minor, the parents or guardian shall be required to give their express consent in writing and submit the same with registration form and valid identification cards with photo of both the minor and the parents or guardian.

The direct seller may deny the request for representative registration after an assessment that the reason given therefore is not valid or that the identification cards or their true copies are not authentic or sufficient.

SEC. 6. Coverage of Registration. – All direct sellers are hereby mandated to register pertinent data in a registration form devised for the purpose, to include the following information and requirements:

- a) Full name and complete address of the end user appearing in a valid government-issued identification document with photo. In view thereof, SIM card end users shall be required to present the original and submit a true and faithful reproduction or photocopy of any government-issued identification documents like, Driver License, Passport, Voters Identification Card, Professional Regulation Commission Identification Card, and the like;

The direct seller may make further inquiries or require the submission of additional identification if necessary, and withhold the sale of the SIM card pending compliance with the additional requirements.

- b) Assigned cell phone number of SIM card (s) and serial number (s).

SEC. 7. Submission of Registration Form. - The registration form required under Section 6 of this Act shall be accomplished in triplicate, and shall be forwarded by the direct seller to the concerned PTE. The concerned PTE shall submit a copy of the duly accomplished registration form to the National Telecommunication Commission (NTC) within fifteen (15) days from the date the sell or receipt of such form from the respective direct sellers. The required registration form and the copies thereof shall be certified by either the President, General Manager, Treasurer, Secretary or any other duly appointed officer of the PTE or direct seller, as the case may be.

SEC. 8. Submission of Verified List of Dealers or Agents. – The PTEs shall submit to the NTC, within thirty (30) days from the date of effectivity of this Act, a verified list of their current authorized dealers or agents nationwide. Thereafter, the PTEs shall submit to the NTC every quarter of each year an updated list of the same.

SEC. 9. Confidentiality Clause. – Any information in the SIM card registration shall be treated with absolute confidentiality and may be released only with the consent of the subscriber, upon written request.

SEC. 10. Disclosure of Information. – Notwithstanding the provisions of Section 9 hereof, the PTEs shall be required to provide information contained in the SIM card registration only upon order of a competent court upon finding of probable cause that a particular number is used in the commission of a crime or that it was utilized as a means to commit an unlawful act.

SEC. 11. SIM Card Register. – All PTEs are required to submit an updated SIM Card Register of their subscribers to the NTC every six (6) months of both postpaid and prepaid mobile phone users, and maintain a record containing information required under Section 6 of this Act.

In case of loss or any change in the information after the acquisition of the SIM card, the subscriber must notify the PTEs within thirty (30) days from such loss or change. The concerned PTE in return must notify the NTC of such loss or change in the information within fifteen (15) days from receipt of notification from the subscriber.

All PTEs are required to keep the data of their subscribers and the NTC shall see to it that these data be kept with utmost confidentiality as provided for under Section 9 of this Act and in accordance with existing laws.

SEC. 12. Registration of Existing Mobile Phone Subscribers. – All existing mobile phone subscribers with prepaid SIM cards are required to register with their respective PTE within one hundred eighty (180) days from the effectivity of this Act. Such deadline may be extended by the NTC but shall not be longer than ninety (90) days, upon a valid written request.

Failure to register within the prescribed period shall authorize the PTE to automatically deactivate its services to the specific existing prepaid SIM card subscriber.

SEC. 13. Penalties. – The following penalties shall be imposed for violation of any provision of this Act:

- a) If the offense is committed by a PTE, the President and other executive officers shall be held liable and the following penalties shall be imposed:

First Offense – a fine of three hundred thousand pesos (P300,000.00)

Second Offense - a fine of five hundred thousand pesos (P500,000.00)

Third Offense - a fine of one million pesos (P1,000,000.00)

- b) A penalty of suspension of its operation and a fine ranging from five thousand pesos (P5,000.00) to fifty thousand pesos (P50,000.00) shall be imposed on any direct seller who fails to comply with the provisions of this Act.

SEC. 14. *Rules and Regulations.* – The NTC shall, in coordination with concerned agencies, shall promulgate the necessary rules and regulations to implement this Act.

SEC. 15. *Separability Clause.* – If for any reason, any part or provision of this Act is held invalid, the remaining provision not affected thereby, shall remain in full force or effect.

SEC. 16. *Repealing Clause.* – All laws, decrees, executive orders, rules and regulations, which are inconsistent with this Act are hereby repealed, amended or modified accordingly.

SEC. 17. *Effectivity.* -This Act shall take effect fifteen (15) days after its publication in the Official Gazette or in a newspaper of general circulation.

Approved.