



HOUSE OF REPRESENTATIVES

House Bill No. 298

Introduced by Representative Victor A. Yap

EXPLANATORY NOTE

In 2017, there are approximately 119 million mobile phone subscriptions in the country around 96% or 114 million of which are prepaid, according to a report by technology site Yugatech.com. This shows that subscribers prefer the convenience and affordability of prepaid subscription. Unlike postpaid subscription where users are required to submit identification papers before entering into a contract with a public telecommunications entity, prepaid mobile phone users can activate their SIM (subscriber identity module) cards, which can be bought almost everywhere, and use their phones while remaining anonymous.

Unfortunately, unscrupulous individuals take advantage of such accessibility and untraceable nature of prepaid SIM cards to carry out illegal activities. We hear rampant cases of text scams such as the "raffle draw winner" scam, and the "relative asking for load" scam. Worse, kidnappers exploit this blanket of anonymity to demand ransom, while terrorists make use of mobile phones as trigger devices to defuse bombs, killing and injuring many innocent victims.

This bill aims to promote accountability for the use of mobile phones by mandating SIM card registration. This measure seeks to regulate the sale and distribution of SIM cards by requiring users to present their valid ID at purchase. All public telecommunications entities will also be required to maintain a SIM Card Register of their subscribers' data to be submitted to the Department of Information and Communications Technology.

In view of eradicating prepaid phone-aided crimes, the passage of this bill is earnestly sought.

VICTOR A. YAP

Representative, 2nd District of Tarlac

HOUSE OF REPRESENTATIVES

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AN ACT
REQUIRING THE REGISTRATION OF ALL USERS OF SUBSCRIBER IDENTITY
MODULE CARDS

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

SEC. 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 communications 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 tremendous responsibility. Thus, a mechanism must be installed to maximize the benefits of modern telecommunications technology and to deter illegal or malicious utilization of the same that benefit only a few.

Towards this end, the State shall require the registration of all users of subscriber identity module (SIM) cards.

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

- (a) Direct seller refers to a person, 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;
- (c) Postpaid subscription refers to the subscription wherein service is provided by virtue of a prior arrangement with a public telecommunications entity, and the end user thereof is billed at the end of the monthly billing cycle according to the use of mobile service;
- (d) Prepaid subscription refers to the subscription wherein 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 person, natural or juridical, government or private, engaged in the provision of telecommunications services to the public for compensation;
- (f) *SIM* refers to the Subscriber Identity Module which is an embedded circuit that securely stores international mobile subscriber identity and related keys used to identify and authenticate subscribers on mobile devices, such as mobile phones and computers;
- (g) *SIM card* refers to a removable card into which an electronic integrated circuit is embedded and is transferrable between different mobile devices; and
- (h) *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 full name, date of birth, gender, and address.

SEC. 4. Sale and Registration of SIM Cards. — Every PTE or direct seller shall require the end user of a SIM card to present valid identification with photo to ascertain the latter's identity. The PTE or 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 purchased. The registration form shall include an attestation by the end user that the person appearing before the direct seller is the same person who accomplished and signed the registration form and that the identification documents presented are valid and correct. Failure of an end user to comply with the requirements under this section shall be a ground for the PTE or direct seller to refuse the sale and issuance of a SIM card.

Except in cases where the PTE is the direct seller, the accomplished registration form must be submitted by the direct seller to the concerned PTE within fifteen (15) days from the date of sale. Failure on the part of the direct seller to comply under this section shall constitute a violation of this Act.

SEC. 5. Coverage of Registration. - All direct sellers are hereby mandated to register the following information in the SIM card registration form:

(a) Full name, date of birth, gender, and address of the end user appearing in a valid government-issued identification document with photo. SIM card end users shall be required to present the original copy of any of the following valid government identification documents (ID) with photo:

- (1) Passport;
- (2) Digitized Social Security Service (SSS) ID;
- (3) Government Service Insurance System (GSIS) e-Card;
- (4) Driver's license;
- (5) Firearms' License to Own and Possess (LTOP) ID;
- (6) Professional Regulation Commission (PRC) ID;

- (7) Integrated Bar of the Philippines (IBP) ID;
- (8) Overseas Workers Welfare Administration (OWWA) ID;
- (9) Digitized Bureau of Internal Revenue (BIR) ID;
- (10) Voter's ID;
- (11) Senior Citizen's card;
- (12) Person with Disabilities (PWDs) card; or
- (13) Other government issued ID.

In the absence of any of the above IDs, a National Bureau of Investigation (NBI) clearance, police clearance, or a Philippine Statistics Authority (PSA) certified birth certificate with an ID picture taken within the last six (6) months prior to the purchase of a SIM card shall suffice. The direct seller may make further inquiries or require the submission of additional identification, if necessary. The purchase of a SIM card may be withheld pending submission of the additional requirements;

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

In the case of end users who are foreign nationals, they shall register their full name, passport number, and address in the SIM card registration form upon presentation of the following:

(1) For foreign nationals visiting as tourists for not more than thirty (30) days:

- (i) Passport;
- (ii) Proof of address in the Philippines;
- (iii) Return ticket to own country of the tourist or any other ticket showing the date and time of departure from the Philippines; and
- (iv) Any other information as may be required by the Department of Information and Communications Technology (DICT); and

(2) For foreign nationals staying for more than thirty (30) days either as workers or students:

- (i) Passport;
- (ii) Full name as indicated in the passport;
- (iii) Proof of address in the Philippines;
- (iv) Alien Employment Permit issued by the Department of Labor and Employment (DOLE), school registration and ID for students; and
- (v) Any other information as may be required by the DICT.

SEC. 6. Submission of Registration Form. — The registration form shall be accomplished in triplicate, and forwarded by the direct seller to the concerned PTE. The concerned PTE shall submit a copy of the duly accomplished registration form to the DICT within fifteen (15) days from the date of sale or receipt of such form from their respective direct sellers. The required registration form and copies thereof shall be certified by the direct seller or any other

1 duly appointed officer of the PTE.

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3 **SEC. 7. Submission of Verified List of Dealers or Agents.** - The PTE shall submit to
4 the DICT, within thirty (30) days from the date of effectivity of this Act, a verified list of their
5 current authorized dealers/agents nationwide. The PTE shall submit to the DICT and National
6 Telecommunications Commission (NTC) every quarter of each year an updated list of the same.

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8 **SEC. 8. Confidentiality Clause.** - Any information in the SIM card registration shall be
9 treated as absolutely confidential, unless access to information has been granted upon written
10 consent of the subscriber: *Provided*, That the waiver of absolute confidentiality shall not be made a
11 condition for the approval of subscription agreements. The confidentiality clause in the SIM card
12 registration shall take effect at the point of sale.

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14 **SEC. 9. Disclosure of Information.** - Notwithstanding the provisions of Section 8 hereof
15 and in accordance with Section 12(e) of Republic Act No. 10173, otherwise known as the "Data
16 Privacy Act of 2012", the PTE or the DICT shall be required to disclose the full name and address
17 contained in the SIM card registration, upon a duly issued subpoena or order of a court upon
18 finding of probable cause, or upon written request from a law enforcement agency in relation
19 to an ongoing investigation, that a particular number is used in the commission of a crime or that it
20 was used as a means to commit an unlawful act.

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22 **SEC. 10. SIM Card Register.** - All PTEs are required to maintain a SIM Card Register of
23 their subscribers containing information required under Section 5 of this Act and to submit the
24 same to the DICT every six (6) months.

25 In case of loss of a SIM card or any change in information contained in the registration
26 form after purchase of the SIM card, the subscriber shall notify the PTE within forty-eight (48)
27 hours from such loss or change in information. Within fifteen (15) days from receipt of
28 notification from the subscriber, the concerned PTE must notify the DICT of such loss or change
29 in information.

30 All PTEs are required to keep the data of their subscribers and the DICT shall ensure that
31 this data is kept with utmost confidentiality.

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33 **SEC. 11. Registration of Existing Prepaid Mobile Phone Subscribers.** — All existing
34 mobile phone subscribers with prepaid SIM cards are required to register with their respective
35 PTE within one hundred eighty (180) days from the effectivity of this Act. An extension period of
36 no longer than one hundred twenty (120) days shall be allowed upon a valid written request to the
37 DICT.

38 Failure to register within the prescribed period shall authorize the PTE to automatically
39 deactivate its services to the concerned prepaid SIM card subscriber.

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2 **SEC. 12. Penalties.** — The following penalties shall be imposed for failure to comply with
3 any of the provisions of this Act:
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5 (a) If the offense is committed by a PTE, the President and other executive officers
6 shall be held liable, and the following penalties shall be imposed:

7 (1) First offense: a fine not exceeding Three hundred thousand pesos
8 (P300,000.00);

9 (2) Second offense: a fine not exceeding Five hundred thousand pesos
10 (P500,000.00);and

11 (3) Third and subsequent offenses: a fine not exceeding One million pesos
12 (P1,000,000.00) for every offense;
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14 (b) If the offense is committed by a direct seller, a penalty of suspension of its
15 operation and a fine of Five thousand pesos (P5,000.00) to Fifty thousand pesos
16 (P50,000.00) shall be imposed; and
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18 (c) If the offense is committed by an officer or employee of an implementing agency
19 under this Act, a penalty of suspension or dismissal from service and a fine to be
20 determined by the court shall be imposed without prejudice to the filing of an
21 appropriate criminal, civil and administrative case.
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23 **SEC. 13. Implementing Rules and Regulations (IRR).** - Within ninety (90) days from
24 the effectivity of this Act, the DICT shall, in coordination with the NTC and other concerned
25 agencies, promulgate the rules and regulations and other issuances as may be necessary to ensure
26 the effective implementation of this Act.
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28 **SEC. 14. Transitory Provision.** - Only direct sellers who have been duly authorized by
29 the PTEs and the NTC shall be allowed to sell prepaid SIM cards. Upon the effectivity of this Act,
30 all PTEs are mandated to recall all prepaid SIM cards for sale to the public by those establishments
31 not authorized by it. Otherwise, they shall be liable for the penalties prescribed in this Act.
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33 **SEC. 15. Separability Clause.** — Should any part of this Act be declared unconstitutional
34 or invalid, the other provisions hereof that are not affected thereby shall continue to be in full
35 force and effect.
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37 **SEC. 16. Repealing Clause.** - All laws, decrees, executive orders, proclamations, rules and
38 regulations, and issuances, or parts thereof which are inconsistent with the provisions of this Act
39 are hereby repealed, amended or modified accordingly.

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

Approved,