

SENATE
S.B. No. 25

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Introduced by **SENATOR LACSON**

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

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.

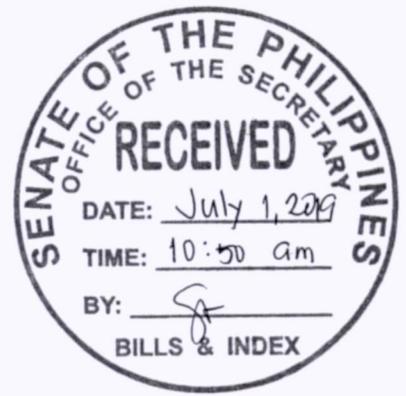
The proposed bill therefore seeks to address the above-mentioned problem being brought about by the proliferation of pre-paid SIM card. It provides for a system of regulating the sale and/or disposition of pre-paid SIM cards and also puts into place the procedures to be followed if a member of the law 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



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*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 Subscriber*
2 *Identity Module (SIM) Cards Regulations Act of 2019*”.

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

13
14 **SECTION 3. Registration Requirement.** - All persons desiring to own and/or
15 use prepaid SIM cards for cellular phones and other mobile smart devices shall, before
16 the actual purchase thereof, prepare and accomplish before any corporation,
17 partnership, single proprietorship authorized to deal and/or sell the said product a
18 registration form which shall contain the following information:
19

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

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

12
13 (b) The telephone number of the Prepaid Subscriber Identity Module (SIM)
14 Card that will be issued.

15
16 **SECTION 4. *Recording by the Corporation, Partnership, Single***
17 ***Proprietorship or Authorized Dealer and the Telecommunications Service Provider.***

18 - The corporation, partnership or single proprietorship authorized to deal and/or sell
19 prepaid SIM cards shall keep a record of the names and other data of all persons who
20 purchased a prepaid SIM card. A certified copy of the registration and/or information
21 sheet prepared by the would-be buyer shall then be transmitted to the
22 Telecommunication Service Provider which shall file and keep a record of the same in
23 a data base to be created for the purpose.

24
25 The copy of the registration and/or information sheet submitted to the
26 Telecommunications Service Provider shall be certified to by the President, General
27 Manager, Treasurer or any other responsible officer of the corporation or partnership,
28 or the owner in case of single proprietorship authorized to deal and/or prepaid SIM
29 card.

30
31 **SECTION 5. *Inquiry into the Telecommunications Service Provider's***
32 ***Database.*** - If the user of a cellular phone with prepaid SIM card shall use the same in
33 the commission of a crime or for any malicious fraudulent or illegal purpose, a court of
34 competent jurisdiction may, by written order, authorize the appropriate law
35 enforcement authority to look into the records of the owner of the prepaid SIM card
36 used in the commission of the above-mentioned acts with the Telecommunications

1 Service Provider keeping records of the same: *Provided, That,* such written order shall
2 only be granted upon application in writing of any law enforcement agency and/or
3 officer and only upon examination under oath or affirmation of the applicant and the
4 witnesses he may produce and upon the court being satisfied that: (1) there is
5 reasonable ground to believe that the prepaid SIM card has been used in the
6 commission of a crime or for a malicious, fraudulent or illegal purpose; (2) that there
7 is reasonable ground to believe that the owner of the said prepaid SIM card is probably
8 the perpetrators of the same; and (3) there is no other speedy and adequate means
9 readily available to obtain such facts and information.

10
11 The written order issued by the court for this purpose shall specify: (1) the
12 name of the law enforcement agency and/or officer authorized to look into the
13 database of the Telecommunications Service Provider; (2) instruct the
14 Telecommunications Service Provider to furnish the information requested; (3) direct
15 the law enforcement agency and/or officer to use the information obtained in
16 accordance with the written application; and (4) specify the period of the written order
17 which shall not exceed thirty (30) days unless extended or renewed by the court
18 issuing the same upon good cause shown.

19
20 **SECTION 6. *Telecommunications Service Provider's Report.*** - The
21 Telecommunications Service Provider to whom the records of all purchases of prepaid
22 SIM card has been forwarded by the corporation, partnership or single proprietorship
23 authorized to deal and/or sell the same shall forthwith prepare duplicate copies of its
24 record containing the names and other data of all registered owners of prepaid SIM
25 cards. The duplicate copies of its record shall be furnished the National
26 Telecommunications Commission and the Bureau of Internal Revenue.

27
28 **SECTION 7. *Penal Provisions.***

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

- 33
34 i. A fine of twenty-five thousand pesos (P25,000.00) for the first offense;
35 ii. A fine of fifty thousand pesos (P50,000.00) for the second offense;

1 iii. A fine of one hundred thousand pesos (P100,000.00) for the third
2 offense and imprisonment from six months and one day to four years. In
3 addition, the license or authority of the corporation, partnership, single
4 proprietorship or the authorized dealer shall likewise be revoked or
5 cancelled; Provided, That, the penalty of imprisonment shall be imposed
6 on the President, General Manager, Treasurer or other responsible officer
7 of the corporation or partnership or the owner in case of a single
8 proprietorship.

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

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

22
23 The same penalty shall be imposed upon any employee of the
24 Telecommunications Service Provider who, despite the written order issued by a
25 competent court, shall refuse the law enforcement agency and/or officer access to the
26 information specified in said written order.

27
28 **SECTION 8. *Implementing Rules and Regulations.*** - Within sixty (60) days
29 from the approval of this Act, the Department of Justice (DOJ) in coordination with
30 the National Telecommunications Commission shall issue the necessary rules and
31 regulations to implement its provisions.

32
33 **SECTION 9. *Separability Clause.*** - If, for any reason, any provision or
34 section of this Act shall be held to be unconstitutional or invalid, the other provisions
35 or sections hereof which are not affected thereby shall continue to be in full force and
36 effect.

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

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6 *Adopted,*