EXPLANATORY NOTE

In 1968, the Supreme Court declared that “The right to privacy as such is accorded recognition independently of its identification with liberty; in itself, it is fully deserving of constitutional protection." Today, more than 50 years later, one aspect of this right, that of informational privacy, insists on the same recognition. Information coupled with advancements in technology brought in the age of big data, artificial intelligence, and the internet of things—a critical component of which is the processing of personal information. The challenge for us is how to maximize the benefits of the 4th industrial revolution while ensuring the protection of individuals from exploitation and misuse of their personal information.

Republic Act No. 10173 or the Data Privacy Act was promulgated in 2012 with the intent of protecting individual personal information by imposing obligations on all those who collect and process personal information, whether in the government or the private sector. This law was influenced by the EU’s Directive 95/46/EC (1995 Directive) and the APEC privacy principles. Since then, we have been facing new challenges and threats to privacy vis-à-vis the digital transformation and utilization of innovative information and communication technologies.

As a response to these changes, the European Union (EU) adopted the General Data Protection Regulation (GDPR) in 2016, which took effect in 2018, repealing the Directive which influenced our own DPA. Likewise, the Council of Europe modernized its Convention 108 in 2018, the only international legally binding instrument on the protection of private life and personal data which is open for accession to any country in the world. Many APEC Economies and ASEAN countries have undergone or are undergoing legal reforms for data protection, among them Japan, California, Malaysia, and Thailand.

The Philippines is an emerging leader in data protection, with the Philippine’s National Privacy Commission elected to the Executive Committee of the International Conference of Data Protection and Privacy Commissioners, the premier global forum for data protection authorities for nearly four decades. A strong data protection regime is not only necessary to protect the rights of Filipino data subjects, but it is at the same time a critical component of national development, from building people’s trust in government to generating revenues for the Philippine economy. Trust in the banking industry and financial technology, or in the business process outsourcing sector, or in the e-health initiatives mean innovation and growth, and this trust depends on ensuring the resilience of personal data processing systems.

1 Morfe v. Mutuc, 22 SCRA 424 (1968)
In order to strengthen the implementation of the Data Privacy Act, and align our law with international standards, there is a need to introduce amendments to the Data Privacy Act. This bill takes into consideration the strengths of the current law and areas for improvement in order to respond to the changing times.

Among the amendments introduced in this bill are provisions that will address concerns on child online protection, by requiring parental consent for online services offered directly to children 15 years old or below.2 The bill also clarifies the definition of what constitutes sensitive personal information and the requirements for personal data breach notification. This aligns the criteria for lawful processing of personal information with international standards, allowing processing for public health purpose and humanitarian emergencies, among others.

This bill will strengthen the implementation of the Data Privacy Act by declaring definitive functions of the National Privacy Commission in the exercise of its quasi-judicial powers and in the effective enforcement of its orders. In the past years, the Commission has been receiving concerns and complaints from data subjects, with more than one thousand complaints being filed in the first half of 2019 alone.

Considering government initiatives that will involve processing of personal data, business models capitalizing on use of personal information, and emerging threats to data protection, the need to cultivate a culture of privacy and to strengthen the Data Privacy Act is urgently needed. This bill will effectively address data privacy challenges and other cross-border data processing concerns in support of the country’s digital transformation towards a knowledge-based economy.

For the foregoing reasons, early approval of this bill is earnestly sought.

REF. VICTOR A. YAP
Second District, Province of Tarlac

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2GDPR age is 16, but 15 years of age was recommended since this aligned with Juvenile Justice Law
AN ACT
AMENDING REPUBLIC ACT NO. 10173, OTHERWISE KNOWN AS THE "DATA PRIVACY ACT OF 2012"

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

SECTION 1. Section 3 of Republic Act No. 10173, is hereby amended to read as follows:

"SEC. 3. Definition of Terms. - Whenever used in this Act, the following terms shall have the respective meanings hereafter set forth:

xxx

(c) Data subject refers to [an individual] A NATURAL PERSON whose personal information is processed.

[d] Direct marketing refers to communication by whatever means of any advertising or marketing material which is directed to particular individuals.

[e] (D) Filing system refers to any act of information relating to natural or juridical persons to the extent that, although the information is not processed by equipment operating automatically in response to instructions given for that purpose, the set is structured, either by reference to individuals or by reference to criteria relating to individuals, in such a way that specific information relating to a particular person is readily accessible.

[f] (E) Information and Communications System refers to a system for generating, sending, receiving, storing or otherwise processing electronic data messages or electronic documents and includes the computer system or other similar device by or which data is recorded, transmitted or stored and any procedure related to the recording, transmission or storage of electronic data, electronic message, or electronic document.

[g] (F) Personal information refers to any information whether recorded in a material form or not, from which the identity of an individual is apparent or can be reasonably and directly ascertained by the entity holding the information, or when put together with other information would directly and certainly identify an individual.

(G) PERSONAL DATA BREACH MEANS A BREACH OF SECURITY LEADING TO THE ACCIDENTAL OR UNLAWFUL DESTRUCTION, LOSS, ALTERATION, UNAUTHORIZED DISCLOSURE OF, OR ACCESS TO, PERSONAL INFORMATION TRANSMITTED, STORED OR OTHERWISE PROCESSED.

(h) Personal information controller refers to a NATURAL OR JURIDICAL person, PUBLIC AUTHORITY, AGENCY OR OTHER ENTITY WHICH, ALONE OR JOINTLY WITH
OTHERS, or organization who [controls the collection, holding.] DETERMINES THE PURPOSES AND MEANS OF THE processing [or use] of personal information, including a person or organization who instructs another person or organization to [collect, hold,] process, [use, transfer or disclose] personal information on his or her behalf. The term excludes:

xxx

(i) **Personal information processor** refers to any natural or juridical person qualified [to act as such under this Act] to whom a personal information controller may outsource the processing of personal [information] DATA pertaining to a data subject.

(ii) **Processing** refers to any operation or any set of operations performed upon personal information including, but not limited to, the collection, recording, organization, storage, updating or modification, DISCLOSURE, retrieval, consultation, use, consolidation, blocking, erasure or destruction of data.

(k) Privileged information refers to any and all forms of data which under the Rules of Court and other personal laws constitute privileged communication.

(l) **Sensitive personal information** refers to personal information:

(1) About an individual's [race] RACIAL or ethnic origin, [marital status, age, color, and] religious, philosophical BELIEF, LABOR or political affiliations;
(2) About an individual's health, [education,] genetic DATA, BIOMETRIC DATA, [or] sexual life, SEXUAL ORIENTATION OR GENDER IDENTITY, or to any proceeding for any offense committed or alleged to have been committed by such person, the disposal of such proceedings, or the sentence of any court in such proceedings;
(3) ABOUT AN INDIVIDUAL'S FINANCIAL DATA;
(3)[(4)] Issued by government agencies peculiar to an individual which includes, but not limited to, IDENTIFICATION NUMBERS, social security numbers, previous or current health records, licenses [or its denials, suspension or revocation], and tax returns;
(4) Specifically established by LAW, REGULATION OR executive order [or an act of Congress] to be [kept] classified OR CONFIDENTIAL, INCLUDING THOSE THAT CONSTITUTE PRIVILEGED COMMUNICATION."

SECTION 2. Section 4 of the same Act is hereby amended as follows:

"SEC. 4. Scope. The Act shall apply to the processing of all types of personal information AND COMMUNICATION SYSTEMS OR ANY FILING SYSTEM B[and to] any natural and juridical person involved in personal information processing including those personal information controllers and processors who, although not found or established in the Philippines, use equipment that are located in the Philippines, or those who maintain an office, branch or agency in the Philippines subject to the immediately preceding paragraph. Provided, That the requirements of Section 5 are complied within THE GOVERNMENT OR PRIVATE SECTOR, SUBJECT TO THE PROVISIONS ON EXTRATERRITORIAL APPLICATION.

This Act does not apply to the following:

(A) PROCESSING OF INFORMATION FOR THE PURPOSE OF ALLOWING PUBLIC ACCESS TO INFORMATION THAT FALL WITHIN MATTERS OF PUBLIC CONCERN, PERTAINING TO:

[(a)] (1) Information about any individual who is or was an officer or employee of [a ] THE government [institution] that relates to HIS OR HER POSITION OR functions [of the individual], including [:] THOSE PERFORMING A SERVICE UNDER CONTRACT
FOR A GOVERNMENT INSTITUTION IN SO FAR AS INFORMATION IS RELATED TO SUCH SERVICE; AND

[(1) The fact that the individual is or was an officer or employee of the government institution;

(2) The title, business address and office telephone number of the individual;

(3) The classification, salary range and responsibilities of the position held by the individual; and

(4) The name of the individual on a document prepared by the individual in the course of employment with the government;]

(2) INFORMATION RELATING TO A BENEFIT OF A FINANCIAL NATURE CONFERRED ON AN INDIVIDUAL UPON THE DISCRETION OF THE GOVERNMENT, SUCH AS THE GRANTING OF A LICENSE OR PERMIT, INCLUDING THE NAME OF THE INDIVIDUAL AND THE EXACT NATURE OF THE BENEFIT: PROVIDED, THAT THEY DO NOT INCLUDE BENEFITS GIVEN IN THE COURSE OF AN ORDINARY TRANSACTION OR AS A MATTER OF RIGHT;

[(b) Information about an individual who is or was performing service under contract for a government institution that relates to the services performed, including the terms of the contract, and the name of the individual given in the course of the performance of those services;

(c) Information relating to any discretionary benefit of a financial nature such as the granting of a license or permit given by the government to an individual, including the name of the individual and the exact nature of the benefit; ]

[(d)] (B) Processing of information for journalistic, artistic, OR literary purpose, [or research purposes] IN ORDER TO UPHOLD FREEDOM OF SPEECH, OF EXPRESSION, OR OF THE PRESS;

(C) PROCESSING OF INFORMATION FOR RESEARCH PURPOSES, INTENDED FOR PUBLIC BENEFIT OR DEVELOPMENT OF KNOWLEDGE, SUBJECT TO THE REQUIREMENTS OF APPLICABLE LAWS, REGULATIONS, AND ETHICAL STANDARDS;

[(e)] (D) Information necessary in order to carry out the functions of public authority which includes the processing of personal data for the performance by the independent, central monetary authority and law enforcement and regulatory agencies of their constitutionally and statutorily mandated functions. Nothing in this Act shall be construed as to have amended or repealed Republic Act No. 1405, otherwise known as the Secrecy of Bank Deposits Act; Republic Act No. 6426, otherwise known as the Foreign Currency Deposit Act; and Republic Act No. 9510, otherwise known as the Credit Information System Act (CISA);

[(f)] (E) Information necessary for banks and other financial institutions under the jurisdiction of the independent, central monetary authority or Bangko Sentral ng Pilipinas to comply with Republic Act No. 9510, and Republic Act No. 9160, as amended, otherwise known as the Anti-Money Laundering Act and other applicable laws; [and

(g) Personal information originally collected from residents of foreign jurisdictions in accordance with the laws of those foreign jurisdictions, including any applicable data privacy laws, which is being processed in the Philippines.]
(F) PROCESSING OF INFORMATION NECESSARY IN ORDER TO CARRY OUT THE
FUNCTIONS OF LAW ENFORCEMENT OR REGULATORY AUTHORITIES, INCLUDING
THE PERFORMANCE OF THE FUNCTIONS OF THE INDEPENDENT, CENTRAL
MONETARY AUTHORITY AND INFORMATION SHARING NECESSARY FOR THE
INVESTIGATION AND PROSECUTION OF CHILD PORNOGRAPHY AND OTHER
FORMS OF CHILD EXPLOITATION, IN ACCORDANCE WITH THEIR
CONSTITUTIONALLY OR STATUTORILY MANDATED FUNCTION; PROVIDED, THAT
PROTECTION OF FUNDAMENTAL FREEDOMS ARE GUARANTEED;

(G) PROCESSING OF INFORMATION BY COURTS ACTING IN THEIR JUDICIAL
CAPACITY, IN ORDER TO SAFEGUARD THE INDEPENDENCE OF THE JUDICIARY IN
THE PERFORMANCE OF ITS JUDICIAL TASKS; AND

(H) PROCESSING OF INFORMATION BY A NATURAL PERSON FOR PURPOSE OF A
PURELY PERSONAL OR HOUSEHOLD ACTIVITY;

PROVIDED, THAT THE REASONABLE FREEDOM GRANTED BY THIS ACT DO NOT
EXTEND TO PERSONAL INFORMATION CONTROLLERS OR PERSONAL
INFORMATION PROCESSORS, WHO REMAIN SUBJECT TO THE REQUIREMENTS OF
IMPLEMENTING SECURITY MEASURES FOR PERSONAL DATA PROTECTION;
provided further, that the processing of the information provided in
the preceding paragraphs shall be exempted from the requirements of
the Act only to the minimum extent necessary to achieve the specific
purpose, function, or activity."

SECTION 3. Section 6 of the same Act is hereby amended as follows:

"SEC. 6. Extraterritorial Application. – This Act applies to an act done or practice engaged in
and outside of the Philippines by an entity if:

[(a) The act, practice or processing relates to personal information about a Philippine
citizen or a resident;
(b) The entity has a link with the Philippines, and the entity is processing personal
information in the Philippines or even if the processing is outside the Philippines as long as it
is about Philippine citizens or residents such as, but not limited to, the following:
(1) A contract is entered in the Philippines;
(2) A juridical entity unincorporated in the Philippines but has central management
and control in the country; and
(3) An entity that has a branch, agency, office or subsidiary in the Philippines and the
parent or affiliate of the Philippine entity has access to personal information; and
(c) The entity has other links in the Philippines such as, but not limited to:
(1) The entity carries on business in the Philippines; and
(2) The personal information was collected or held by an entity in the Philippines. ]

(A) THE NATURAL OR JURIDICAL PERSON INVOLVED IN THE PROCESSING OF
PERSONAL INFORMATION IS FOUND OR ESTABLISHED IN THE PHILIPPINES;

(B) THE PROCESSING OF PERSONAL INFORMATION IS BEING DONE IN THE
PHILIPPINES;

(C) THE PROCESSING OF PERSONAL INFORMATION RELATES TO A PHILIPPINE
CITIZEN OR RESIDENT WHO ARE IN THE PHILIPPINES, WHERE THE
PROCESSING ACTIVITIES OF A NATURAL OR JURIDICAL PERSON OUTSIDE
THE PHILIPPINES INVOLVES OFFERING OF GOODS OR SERVICES, OR
MONITORING OF BEHAVIOR WITHIN THE PHILIPPINES; OR
(D) THE PROCESSING RELATES TO PERSONAL INFORMATION OF A PHILIPPINE
CITIZEN OR A RESIDENT, AND THE ENTITY HAS A LINK WITH THE
PHILIPPINES. THIS INCLUDES:

1. USE OF EQUIPMENT LOCATED IN THE COUNTRY, OR MAINTAINS AN
OFFICE, BRANCH OR AGENCY IN THE PHILIPPINES FOR PROCESSING OF
PERSONAL INFORMATION.
2. A CONTRACT IS ENTERED IN THE PHILIPPINES;
3. A JURIDICAL ENTITY UNINCORPORATED IN THE PHILIPPINES BUT HAS
CENTRAL MANAGEMENT AND CONTROL IN THE COUNTRY;
4. AN ENTITY THAT HAS A BRANCH, AGENCY, OFFICE OR SUBSIDIARY IN
THE PHILIPPINES AND THE PARENT OR AFFILIATE OF THE PHILIPPINE
ENTITY HAS ACCESS TO PERSONAL INFORMATION;
5. AN ENTITY THAT CARRIES ON BUSINESS IN THE PHILIPPINES;
6. AN ENTITY THAT COLLECTS OR HOLDS PERSONAL INFORMATION IN
THE PHILIPPINES.

SECTION 4. Section 7 of the same Act is hereby amended as follows:

"SEC. 7. Functions of the National Privacy Commission. - To administer and implement the
provisions of this Act, and to monitor and ensure compliance of the country with
international standards set for data protection, there is hereby created an independent
body to be known as the National Privacy Commission, which shall have the following
functions:

xxx

(b) Receive complaints, institute investigations, facilitate or enable settlement of complaints
through the use of alternative dispute resolution processes, adjudicate, award indemnity
on matters affecting any personal information, prepare reports on disposition of
complaints and resolution of any investigation it initiates, and, in cases it deems
appropriate, publicize any such report: Provided, That in resolving any complaint or
investigation (except where amicable settlement is reached by the parties), the Commission
shall act as a collegial body: PROVIDED, FURTHER, THAT THE COMMISSION SHALL
HAVE PRIMARY JURISDICTION OVER CASES INVOLVING VIOLATIONS OF THIS
ACT. For this purpose, the Commission may be given access to personal information that
is subject of any complaint and to collect the information necessary to perform its functions
under this Act;

(C) ISSUE SUMMONS, SUBPOENA AND SUBPOENA DUCES TECUM TO ALLEGED
VIOLATORS OR WITNESSES TO COMPEL THEIR ATTENDANCE IN
INVESTIGATIONS OR PROCEEDINGS BEFORE THE COMMISSION, AND TO HOLD
AND PUNISH FOR CONTEMPT THOSE WHO DISREGARD ORDERS OR WRITS
ISSUED IN THE COURSE OF THESE PROCEEDINGS;

[(c) ] (D) Issue cease and desist orders, impose a temporary or permanent ban on the
processing of personal information, upon finding that the processing will be detrimental to
national security, public interest, OR IF IT IS NECESSARY TO PRESERVE AND PROTECT
THE RIGHTS AND FREEDOMS OF DATA SUBJECTS;

(E) IMPOSE ADMINISTRATIVE SANCTIONS, INCLUDING MONETARY PENALTIES
FOR THE VIOLATION OF THIS ACT, ITS IMPLEMENTING RULES AND
REGULATIONS, AND ISSUANCES PURSUANT THERETO OR FOR FAILURE OR
REFUSAL TO COMPLY WITH COMPLIANCE ORDERS AND RESOLUTIONS OF THE
COMMISSION; PROVIDED: THAT THE COMMISSION MAY PROMULGATE FINES
AND PENALTIES TAKING INTO CONSIDERATION THE ATTENDANT
CIRCUMSTANCES, SUCH AS NATURE AND GRAVITY OF THE VIOLATION AND
NUMBER OF AFFECTED DATA SUBJECTS; PROVIDED, FURTHER: THAT SUCH
ADMINISTRATIVE FINES SHALL NOT BE MORE THAN FIVE MILLION PESOS
(P5,000,000) PER VIOLATION;

[(d)] (f) Compel or petition any entity, government agency or instrumentality to abide by
its orders or take action on a matter affecting data privacy, OR TO PROVIDE
ASSISTANCE FOR THE EFFECTIVE IMPLEMENTATION OF THE ACT;

[(e)] (G) Monitor the compliance [ of other government agencies or
instrumentalities ]PERSONAL INFORMATION CONTROLLERS AND PERSONAL
INFORMATION PROCESSORS on their security and technical measures and recommend
the necessary action in order to meet minimum standards for the protection of personal
information pursuant to this Act;

[(f)] (H) Coordinate with other government agencies and the private sector on efforts to
formulate and implement plans and policies to strengthen the protection of personal
information in the country;

[(i)] (I) CONDUCT SEMINARS, CONFERENCES AND TRAININGS FOR AWARENESS AND
CAPACITY BUILDING IN RELATION TO ITS MANDATE, AND FOR THIS PURPOSE
MAY COLLECT REASONABLE FEES FROM GOVERNMENT AND PRIVATE AGENCY
PARTICIPANTS BASED ON PRESCRIBED RATES IN RELEVANT LAW AND
REGULATIONS: PROVIDED, THAT PROCEEDS COLLECTED MAY BE USED FOR THE
CONTINUING CONDUCT OF SUCH SEMINARS, CONFERENCES, AND TRAININGS
SUBJECT TO BUDGETING, ACCOUNTING AND AUDITING RULES AND
REGULATIONS;

[(g)] (J) Publish on a regular basis a guide to all laws relating to data protection, AND
PREPARE REPORTS ON DISPOSITION OF COMPLAINTS AND RESOLUTION OF ANY
INVESTIGATION IT INITIATES, AND, IN CASES IT DEEMS APPROPRIATE,
PUBLICIZE ANY SUCH REPORT;

[(h)] (K) Publish a compilation of agency system of records and notices, including index
and other finding aids;

[(i)] (L) Recommend to the Department of Justice (DOJ) the prosecution and imposition of
penalties specified in [Sections 25 to 29 of] this Act;

[(j)] (M) Review, approve, reject or require modification of privacy codes voluntarily
adhered to by personal information controllers: Provided, That the privacy codes shall
adhere to the underlying data privacy principles embodied in this Act: Provided, further,
That such privacy codes may include private dispute resolution mechanisms for
complaints against any participating personal information controller. For this purpose, the
Commission shall consult with relevant regulatory agencies in the formulation and
administration of privacy codes applying the standards set out in this Act, with respect to
the persons, entities, business activities and business sectors that said regulatory bodies are
authorized to principally regulate pursuant to the law: Provided, finally. That the
Commission may review such privacy codes and require changes thereto for purposes of
complying with this Act;

[(k)] (N) Provide assistance on matters relating to privacy or data protection at the request
of a national or local agency, a private entity or any person;

[(l)] (O) Comment on the implication on data privacy of proposed national or local statutes,
regulations or procedures, issue advisory opinions and interpret the provisions of this Act
and other data privacy laws;
(m) (P) Propose legislation, amendments or modifications to Philippine laws on privacy or data protection as may be necessary;

(n) (Q) Ensure proper and effective coordination with data privacy regulators in other countries and private accountability agents, participate in international and regional initiatives for data privacy protection;

(o) (R) Negotiate and contract with other data privacy authorities of other countries for cross-border application and implementation of respective privacy laws;

(p) (S) Assist Philippine companies doing business abroad to respond to foreign privacy or data protection laws and regulations; and

(q)(t) Generally perform such acts as may be necessary to facilitate cross-border enforcement of data privacy protection, TO PROTECT DATA SUBJECTS, AND TO ENSURE EFFECTIVE IMPLEMENTATION OF THE ACT.”

SECTION 5. Section 9 of the same Act is hereby amended as follows:

“SEC. 9. Organization Structure of the Commission. – The Commission shall be attached to the Department of Information and Communications Technology (DICT) and shall be headed by a Privacy Commissioner, who shall also act as Chairman of the Commission. The Privacy Commissioner shall be assisted by two (2) Deputy Privacy Commissioners, one to be responsible for [Data Processing Systems] COMPLIANCE MONITORING and one to be responsible for [Policies and Planning] POLICY AND STANDARDS. The Privacy Commissioner and the two (2) Deputy Privacy Commissioners shall be appointed by the President of the Philippines for a term of [three (3)] FOUR (4) years, and may be reappointed for another term of [three (3)] FOUR (4) years. Vacancies in the Commission shall be filled in the same manner in which the original appointment was made: PROVIDED, THAT IN CASE OF EXPIRATION OF TERM AND NO COMMISSIONER OR DEPUTY PRIVACY COMMISSIONER IS APPOINTED, THE COMMISSIONER OR DEPUTY PRIVACY COMMISSIONER, AS THE CASE MAY BE, SHALL HOLD OFFICE IN A HOLD-OVER CAPACITY UNTIL SUCH APPOINTMENT SHALL HAVE BEEN DULY ISSUED; PROVIDED FURTHER, THAT IN CASE A VACANCY OCCURS BEFORE THE EXPIRATION OF THE TERM OF OFFICE, THE APPOINTMENT TO SUCH VACANCY SHALL ONLY BE FOR THE UNEXPIRED TERM OF THE PREDECESSOR.

Xxx”

SECTION 6. Section 11 of the same Act is hereby amended as follows:

“SEC.11. General Data Privacy Principles. The processing of personal information shall be allowed, subject to compliance with the requirements of the Act and other laws allowing disclosure of information to the public, and adherence to the principles of transparency, legitimate purpose, and proportionality.

Personal information must be:

Xxx

(c) Accurate, [relevant,] and, where necessary for purposes for which it is to be used the processing of personal information, kept up to date; inaccurate or incomplete data, having regard to the purposes for which they are processed, must be rectified, supplemented, destroyed or their further processing restricted;

(d) Adequate, RELEVANT and not excessive in relation to the purposes for which they are collected and further processed;
(f) Kept in a form which permits identification of data subjects for no longer than is necessary for the purposes for which the data were collected and processed: Provided, That personal information collected for other purposes may be processed OR STORED LONGER SOLELY FOR ARCHIVING PURPOSES IN THE PUBLIC INTEREST, for historical, statistical or scientific purposes, and in cases laid down in law may be stored for longer periods: Provided, further, That adequate safeguards are guaranteed by said laws authorizing their processing, SUBJECT TO IMPLEMENTATION OF ADEQUATE SAFEGUARDS FOR DATA PROTECTION.

(G) PROCESSED IN A MANNER THAT ENSURES APPROPRIATE SECURITY OF THE PERSONAL INFORMATION.

The personal information controller must ensure implementation of personal information processing principles set out herein."

SECTION 7. Section 12 of the same Act is hereby amended as follows:

"SEC. 12. Criteria for Lawful Processing of Personal Information. – The processing of personal information shall be permitted only if not otherwise prohibited by law, INCLUDING THE RESTRICTIONS IN THE PROCESSING OF SENSITIVE PERSONAL INFORMATION, and when at least one of the following conditions exists:

(a) The data subject has given his or her consent: PROVIDED, THAT IN THE SPECIFIC CASE OF AN INFORMATION SOCIETY PROVIDERS OFFERING SERVICES DIRECTLY TO A CHILD, THE PROCESSING OF THE PERSONAL INFORMATION OF A CHILD SHALL BE LAWFUL WHERE THE CHILD IS MORE THAN 15 YEARS OLD. WHERE THE CHILD IS 15 YEARS OLD OR BELOW, SUCH PROCESSING SHALL BE LAWFUL ONLY IF AND TO THE EXTENT THAT CONSENT IS GIVEN OR AUTHORIZED BY PERSONS EXERCISING PARENTAL AUTHORITY OVER THE CHILD;

(b) The processing [ of personal information ] is necessary and is related to the fulfillment of a contract with the data subject or in order to take steps at the request of the data subject prior to entering into a contract;

Xxx

(d) The processing is necessary to protect vitally important interests of the data subject or OF ANOTHER NATURAL PERSON, including life and health;

Xxx”

SECTION 8. Section 13 of the same Act is hereby amended as follows:

"SEC. 13. Sensitive Personal Information and Privileged Information. – The processing of sensitive personal information and privileged information shall be prohibited, except in the following cases:

(a) The data subject has given his or her consent, specific to the purpose prior to the processing, or in the case of privileged information, all parties to the exchange have given their consent prior to processing, EXCEPT IF A SPECIFIC LAW PROVIDES THAT THE PROHIBITION FROM PROCESSING MAY NOT BE LIFTED BY THE DATA SUBJECT;
(B) THE PROCESSING OF INFORMATION IS PURSUANT TO A CONTRACT FREELY ENTERED INTO BY THE DATA SUBJECT AND PERSONAL INFORMATION CONTROLLER: PROVIDED, THAT THE PERFORMANCE OF THE CONTRACT OR PROVISION OF THE SERVICE IS NOT MADE CONDITIONAL ON CONSENTING TO THE PROCESSING OF SENSITIVE PERSONAL INFORMATION THAT IS NOT NECESSARY TO THE OBJECT OF THE CONTRACT;

[(b)] (C) The processing of the same is provided for by existing laws and regulations: Provided, That such regulatory enactments or its IMPLEMENTING RULES guarantee the protection of the sensitive personal information and the privileged information: Provided, further, That the consent of the data subjects are not required by law or regulation permitting the processing of the sensitive personal information;

[(c)] (D) The processing is necessary to protect the life and health of the data subject or another person, and the data subject is not legally or physically able to express his or her consent prior to the processing;

[(d)] The processing is necessary to achieve the lawful and non-commercial objectives of public organizations and their associations: Provided, That such processing is only confined and related to the bona fide members of these organizations or their associations: Provided, further, That the sensitive personal information are not transferred to third parties: Provided, finally, That consent of the data subject was obtained prior to processing;

(E) THE PROCESSING IS CARRIED OUT WITH APPROPRIATE SAFEGUARDS BY A FOUNDATION, ASSOCIATION OR ANY OTHER NOT-FOR-PROFIT BODY WITH A CHARITABLE, RELIGIOUS, PROFESSIONAL OR SIMILAR PURPOSE, IN THE COURSE OF ITS LEGITIMATE ACTIVITIES AND ON CONDITION THAT THE PROCESSING RELATES SOLELY TO THE MEMBERS OR TO FORMER MEMBERS OF THE BODY OR TO PERSONS WHO HAVE REGULAR CONTACT WITH IT IN CONNECTION WITH ITS PURPOSES, AND THAT THE PERSONAL INFORMATION ARE NOT DISCLOSED OUTSIDE THAT BODY WITHOUT THE CONSENT OF THE DATA SUBJECTS;

(F) THE PROCESSING RELATES TO INFORMATION WHICH ARE MANIFESTLY MADE PUBLIC BY THE DATA SUBJECT: PROVIDED THAT FURTHER PROCESSING SHALL NOT BE CONTRARY TO LAW, MORALS, GOOD CUSTOMS, PUBLIC ORDER OR PUBLIC POLICY;

[(E)] (G) The processing is necessary for the purpose of medical DIAGNOSIS AND treatment, PREVENTIVE OR OCCUPATIONAL MEDICINE, AND THE MANAGEMENT AND QUALITY ASSURANCE OF HEALTH OR SOCIAL CARE SYSTEMS AND SERVICES, AND is carried out by a [ medical practitioner or a medical treatment ] HEALTH CARE institution, [ and an adequate level of protection of personal information is ensured ] HEALTH CARE PROVIDER, OR A PERSON UNDER THEIR RESPONSIBILITY BOUND BY A PROFESSIONAL OR LEGAL OBLIGATION OF CONFIDENTIALITY, PROVIDED: THAT ADEQUATE SECURITY MEASURES ARE IMPLEMENTED FOR THE PROTECTION OF SENSITIVE PERSONAL INFORMATION;

(H) THE PROCESSING IS NECESSARY FOR REASONS OF PUBLIC INTEREST IN THE AREA OF PUBLIC HEALTH OR HUMANITARIAN EMERGENCIES, PROVIDED: THAT SUCH PROCESSING IS COVERED BY REGULATORY ENACTMENTS ENSURING NECESSITY OF PROCESSING AND IMPLEMENTATION OF APPROPRIATE SAFEGUARDS FOR DATA PROTECTION;

[(O) (l) The processing [ concerns such personal information as ] is necessary for the protection of lawful rights and interests of natural or legal persons in court proceedings, or the establishment, exercise or defense of legal claims, or [ when provided to government or public authority ] WHENEVER COURTS ARE ACTING IN THEIR JUDICIAL CAPACITY;
(J) THE PROCESSING IS NECESSARY SOLELY FOR ARCHIVING PURPOSES IN THE PUBLIC INTEREST, SCIENTIFIC OR HISTORICAL RESEARCH PURPOSES OR STATISTICAL PURPOSES, TO THE EXTENT PROPORTIONATE TO THE AIM PURSUED AND CONSISTENT WITH ETHICAL PRINCIPLES, WHICH SHALL PROVIDE FOR SUITABLE AND SPECIFIC MEASURES TO SAFEGUARD THE FUNDAMENTAL RIGHTS AND THE INTERESTS OF THE DATA SUBJECT;

(K) THE PROCESSING PERTAINS TO INFORMATION ORIGINALLY COLLECTED FROM RESIDENTS OF FOREIGN JURISDICTIONS BEING PROCESSED IN THE PHILIPPINES: PROVIDED, THAT THE COLLECTION IS IN ACCORDANCE WITH THE LAWS OF THOSE FOREIGN JURISDICTIONS, INCLUDING ANY APPLICABLE DATA PRIVACY LAWS;

SECTION 9. Section 16 of the same Act is hereby amended as follows:

"SEC. 16. Rights of the Data Subject. – The data subject is entitled to the following rights:

a) RIGHT TO BE INFORMED. The data subject should be informed on whether personal information pertaining to him or her shall be, are being or have been processed, including intentions to further process the personal information for a purpose other than that for which the personal information were collected;

[(B)] THE DATA SUBJECT MUST be [ furnished ] PROVIDED the information indicated hereunder before the entry of personal information into the processing system of the personal information controller, or where personal information is obtained from a third party, at the next practical opportunity:

(1) Description of the personal information to be entered into the system;
(2) THE EXISTENCE OF AUTOMATED DECISION-MAKING, INCLUDING PROFILING, AS WELL AS THE SIGNIFICANCE AND THE ENVISAGED CONSEQUENCES OF SUCH PROCESSING FOR THE DATA SUBJECT;
[(2)] (3) Purposes [for which they are being or are to be processed] and lawful basis of processing;
[(3)] (4) Scope and method of the personal information processing;
(5) Sources of personal information, and where applicable, whether it came from publicly accessible sources;
[(4)] (6) The recipients or classes of recipients [to whom they are or may be disclosed] of personal information;
[(5)] Methods utilized for automated access, if the same is allowed by the data subject, and the extent to which such access is authorized;
[(7)] (7) TRANSFERS OR INTENDED TRANSFERS OF PERSONAL INFORMATION TO ANOTHER COUNTRY OR TO AN INTERNATIONAL ORGANIZATION;
[(6)] (8) The identity and contact details of the personal information controller or its representative;
(9) CONTACT DETAILS OF DATA PROTECTION OFFICER;
[(7)] (10) The period for which the information will be stored OR CRITERIA USED TO DETERMINE PERIOD; and
[(8)] (11) The existence of their rights as DATA SUBJECTS, to access, correction, as well as the right to lodge a complaint before the Commission.

Any information supplied or declaration made to the data subject on these matters shall not be amended without prior notification of data subject: Provided, That the notification under subsection (b) shall not apply should the personal information be needed pursuant to a subpoena or when the collection and processing are for obvious purposes, including when it is necessary for the performance of or in relation to a contract or service or when necessary
or desirable in the context of an employer-employee relationship, between the collector and
the data subject, or when the information is being collected and processed as a result of legal
obligation;

(c) Reasonable access to, upon demand, the following:

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(d) Dispute the inaccuracy or error in the personal information and have the personal
information controller correct it immediately and accordingly, unless the request is
vexatious or otherwise unreasonable. If the personal information have been corrected, the
personal information controller shall ensure the accessibility of both the new and the
retracted information and the simultaneous receipt of the new and the retracted
information by recipients thereof. Provided, That the third parties who have previously
received such processed personal information shall be informed of its inaccuracy and its
rectification upon reasonable request of the data subject;

(e) Suspend, withdraw or order the blocking, removal or destruction of his or her personal
information from the personal information controller’s filing system upon discovery and
substantial proof that the personal information are incomplete, outdated, false, unlawfully
obtained, used for unauthorized purposes or are no longer necessary for the purposes for
which they were collected. In this case, the personal information controller may notify third
parties who have previously received such processed personal information; and

(f) Be indemnified for any damages sustained due to such inaccurate, incomplete, outdated,
false, unlawfully obtained or unauthorized use of personal information. ]

(B) RIGHT TO REASONABLE ACCESS. THE DATA SUBJECT HAS THE RIGHT TO
REASONABLE ACCESS TO THE INFORMATION PROVIDED IN THE PRECEDING
PARAGRAPH. THE DATA SUBJECT MAY OBTAIN A COPY OF THE PERSONAL
INFORMATION UNDERGOING PROCESSING; PROVIDED, THAT THE RIGHT TO
OBTAIN A COPY A COPY SHALL NOT ADVERSELY AFFECT THE RIGHTS AND
FREEDOMS OF OTHERS.

(C) RIGHT TO OBJECT. THE DATA SUBJECT SHALL HAVE THE RIGHT TO OBJECT, ON
GROUNDS RELATING TO HIS OR HER PARTICULAR SITUATION, AT ANY TIME TO
PROCESSING OF PERSONAL INFORMATION CONCERNING HIM OR HER. THE DATA
SUBJECT MAY OBJECT TO THE PROCESSING FOR DIRECT MARKETING PURPOSES,
PROFILING OR TO HAVE DECISIONS MADE AFFECTING HIM OR HER BASED SOLELY
ON AUTOMATED DECISION MAKING. THE CONTROLLER SHALL NO LONGER
PROCESS THE PERSONAL INFORMATION UNLESS THE CONTROLLER
DEMONSTRATES COMPPELLING LEGITIMATE GROUNDS FOR THE PROCESSING
WHICH OVERRIDE THE INTERESTS, RIGHTS AND FREEDOMS OF THE DATA SUBEJECT
OR FOR THE ESTABLISHMENT, EXERCISE OR DEFENSE OF LEGAL CLAIMS.

THE DATA SUBJECT SHALL ALSO BE NOTIFIED AND GIVEN AN OPPORTUNITY TO
WITHHOLD CONSENT TO THE PROCESSING IN CASE OF CHANGES OR ANY
AMENDMENT TO THE INFORMATION SUPPLIED OR DECLARED TO THE DATA
SUBJECT IN THE PRECEDING PARAGRAPH.

WHEN A DATA SUBJECT OBJECTS OR WITHHOLDS CONSENT, THE PERSONAL
INFORMATION CONTROLLER SHALL NO LONGER PROCESS THE PERSONAL
INFORMATION, UNLESS, OR THE PROCESSING IS NEEDED PURSUANT TO A
SUBPOENA, OR THE PROCESSING IS REQUIRED BY RELEVANT LAW AND
REGULATION.
(D) RIGHT TO RECTIFICATION. The data subject has the right to dispute inaccuracy or error in the personal information and have the personal information controller correct it accordingly without delay, unless the request is vexatious or otherwise unreasonable. If the personal information have been corrected, the personal information controller shall ensure the accessibility of both the new and the retracted information and the simultaneous receipt of the new and the retracted information by recipients thereof; provided, that the third parties who have previously received such processed personal information shall be informed of its inaccuracy and its rectification upon reasonable request of the data subject;

TAKING INTO ACCOUNT THE PURPOSES OF THE PROCESSING, THE DATA SUBJECT SHALL HAVE THE RIGHT TO HAVE INCOMPLETE PERSONAL INFORMATION COMPLETED, INCLUDING BY MEANS OF PROVIDING A SUPPLEMENTARY STATEMENT.

(E) RIGHT TO ERASURE. The data subject shall have the right to suspend or restrict processing, or order the blocking, removal or destruction of personal information pertaining to him or her from the personal information controller’s filing system, where:

A) THE PERSONAL INFORMATION IS INCOMPLETE, OUTDATED, FALSE, OR UNFAVORABLY OBTAINED;
B) THE PERSONAL INFORMATION IS BEING USED FOR PURPOSE NOT AUTHORIZED BY THE DATA SUBJECT;
C) THE PERSONAL INFORMATION IS NO LONGER NECESSARY FOR THE PURPOSES FOR WHICH THEY WERE COLLECTED;
D) THE DATA SUBJECT WITHDRAWS CONSENT OR OBJECTS TO THE PROCESSING, AND THERE IS NO OTHER LEGAL GROUND OR OVERRIDING LEGITIMATE INTEREST FOR THE PROCESSING;
E) THE PERSONAL INFORMATION CONCERNS PRIVATE INFORMATION THAT IS PREJUDICIAL TO DATA SUBJECT, UNLESS JUSTIFIED BY FREEDOM OF SPEECH, OF EXPRESSION, OR OF THE PRESS OR OTHERWISE AUTHORIZED;
F) THE PROCESSING IS UNLAWFUL; OR
G) THE PERSONAL INFORMATION CONTROLLER OR PERSONAL INFORMATION PROCESSOR VIOLATED THE RIGHTS OF THE DATA SUBJECT.

THE PERSONAL INFORMATION CONTROLLER MAY NOTIFY THIRD PARTIES WHO HAVE PREVIOUSLY RECEIVED SUCH PROCESSED PERSONAL INFORMATION.

(F) RIGHT TO CLAIM DAMAGES. THE DATA SUBJECT HAS THE RIGHT TO BE INDEMNIFIED FOR ANY DAMAGES SUSTAINED DUE TO SUCH INACCURATE, INCOMPLETE, OUTDATED, FALSE, UNFAVORABLY OBTAINED OR UNAUTHORIZED USE OF PERSONAL INFORMATION.”

SECTION 10. Section 19 of the same Act is hereby amended as follows:

“SEC. 19. [ Non-applicability ] LIMITATION ON RIGHTS OF DATA SUBJECTS. - [The immediately preceding sections are not applicable] RIGHTS OF DATA SUBJECT MAY BE LIMITED if the processed personal information are used only for the needs of scientific and statistical research, ARCHIVING PURPOSES IN THE PUBLIC INTEREST, and, on the basis of such, no activities are carried out and no decisions are taken regarding the data subject: Provided, That [the personal information shall be held under strict confidentiality] ADEQUATE SAFEGUARDS ARE IN PLACE and THE PERSONAL
INFORMATION shall be used only for the declared purpose. [ Likewise, the immediately preceding sections are not applicable to the ] THE LIMITATION ALSO APPLIES WHEN SPECIFICALLY PROVIDED BY LAW, OR REGULATION, WHEN NECESSARY TO PROTECT LIFE AND HEALTH OF DATA SUBJECTS, OR WHERE the processing of personal information gathered for the purpose of investigations in relation to any criminal, administrative or tax liabilities of a data subject.”

SECTION 11. Section 20 of the same Act is hereby amended as follows:


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(e) The personal information controller shall [ promptly ] notify the Commission and affected data subjects [ when sensitive personal information or other information that may, under the circumstances, be used to enable identity fraud are reasonably believed to have been acquired by an unauthorized person, and the personal information controller or the Commission believes that such unauthorized acquisition is likely to give rise to a real risk of serious harm to any affected data subject ] WITHIN 72 HOURS UPON BEING AWARE OR UPON REASONABLE BELIEF THAT A PERSONAL DATA BREACH INVOLVING SENSITIVE PERSONAL INFORMATION OR OTHER INFORMATION THAT MAY BE USED TO ENABLE IDENTITY FRAUD OCCURRED. The notification shall at least describe the nature of the breach, the [ sensitive ] personal information possibly involved, and the measures taken by the entity to address the breach. [Notification may be delayed only to the extent necessary to determine the scope of the breach, to prevent further disclosures, or to restore reasonable integrity to the information and communications system.] WHERE SUCH NOTIFICATION CANNOT BE ACHIEVED WITHIN 72 HOURS, THE REASONS FOR THE DELAY SHOULD ACCOMPANY THE NOTIFICATION AND INFORMATION MAY BE PROVIDED IN PHASES WITHOUT ANY FURTHER DELAY.

[(1) In evaluating if notification is unwarranted, the Commission may take into account compliance by the personal information controller with this section and existence of good faith in the acquisition of personal information. ]

[(2)] (1) The Commission may exempt a personal information controller from notification OF DATA SUBJECT where, in its reasonable judgment, such notification would not be in the public interest or in the interests of the affected data subjects. IN EVALUATING IF NOTIFICATION IS UNWARRANTED, THE COMMISSION MAY TAKE INTO ACCOUNT COMPLIANCE BY THE PERSONAL INFORMATION CONTROLLER WITH THIS ACT AND EXISTING SECURITY MEASURES SHOWING THAT THE PERSONAL DATA BREACH IS UNLIKELY TO RESULT IN A RISK TO THE RIGHTS AND FREEDOMS OF NATURAL PERSONS.

[(3)] (2) The Commission may authorize postponement of notification where it may hinder the progress of a criminal investigation related to a serious breach. NOTIFICATION OF DATA SUBJECTS MAY BE DELAYED ONLY TO THE EXTENT NECESSARY TO DETERMINE THE SCOPE OF THE BREACH, TO PREVENT FURTHER DISCLOSURES, OR TO RESTORE REASONABLE INTEGRITY TO THE INFORMATION AND COMMUNICATIONS SYSTEM. WHERE THE PERSONAL DATA BREACH IS LIKELY TO RESULT IN A HIGH RISK TO THE RIGHTS AND FREEDOMS OF THE NATURAL PERSON, THE CONTROLLER SHOULD COMMUNICATE TO THE DATA SUBJECT A PERSONAL DATA BREACH, WITHOUT UNDUE DELAY, IN ORDER TO ALLOW HIM OR HER TO TAKE THE NECESSARY PRECAUTIONS.
FOR PURPOSES OF THIS SECTION, THE PERSONAL INFORMATION CONTROLLER SHALL ENSURE THAT PERSONAL INFORMATION PROCESSORS WILL PROMPTLY REPORT THE OCCURRENCE OF A PERSONAL DATA BREACH TO ALLOW FOR NOTIFICATION OF THE COMMISSION AND DATA SUBJECTS WITHIN THE PRESCRIBED PERIOD: PROVIDED, THAT WHERE THE PERSONAL INFORMATION CONTROLLER IS OUTSIDE THE PHILIPPINES AND IS UNABLE TO COMPLY WITH THE NOTIFICATION REQUIREMENTS, THE PERSONAL INFORMATION PROCESSOR WHERE THE PERSONAL DATA BREACH OCCURRED SHALL SUBMIT THE BREACH NOTIFICATION TO THE COMMISSION."

SECTION 12. Section 21 of the same Act is hereby amended as follows:

"SEC. 21. Principle of Accountability. – Each personal information controller is responsible for personal information under its control or custody, including information that have been transferred to a third party for processing, whether domestically or internationally, subject to cross-border arrangement and cooperation.

a) The personal information controller is accountable for complying with the requirements of this Act and shall use contractual or other reasonable means to provide a comparable level of protection while the information are being processed by a third party.

b) The personal information controller shall designate A DATA PROTECTION OFFICER or an individual or individuals who are accountable for the organization’s compliance with this Act. The identity of the individual(s) so designated shall be made known to any data subject upon request."

SECTION 13. Section 24 of the same Act is hereby amended as follows:

"SEC. 24. Applicability to Government Contractors. ACCESS TO PERSONAL INFORMATION BY INDEPENDENT CONTRACTORS, CONSULTANTS, OR SERVICE PROVIDERS ENGAGED BY A GOVERNMENT AGENCY SHALL BE GOVERNED BY STRICT PROCEDURES CONTAINED IN FORMAL CONTRACTS, WHICH PROVISIONS MUST COMPLY WITH THE ACT. In entering into any contract that may involve accessing or requiring sensitive personal information from one thousand (1,000) or more individuals, an agency shall require a contractor and its employees to register their personal information processing system with the Commission in accordance with this Act and to comply with the other provisions of this Act including the immediately preceding section, in the same manner as agencies and government employees comply with such requirements."

SECTION 14. Section 36 of the same Act is hereby amended as follows:

"SEC. 36. Offense Committed by Public Officer. – When the offender or the person responsible for the offense is a public officer, as defined in the Administrative Code of the Philippines in the exercise of his or her duties, an accessory penalty consisting in the disqualification to occupy public office for a term double the term of criminal penalty imposed shall he applied.

LIKEWISE, THE PUBLIC OFFICER, REGARDLESS OF WHETHER OR NOT HE OR SHE HOLDS OFFICE OR EMPLOYMENT IN CASUAL, TEMPORARY, HOLDOVER, PERMANENT OR REGULAR CAPACITY COMMITTING THE OFFENCE WILL BE SUBJECT TO ADMINISTRATIVE PENALTIES UNDER THE REPUBLIC ACT NO. 6713, OTHERWISE KNOWN AS THE “CODE OF CONDUCT AND ETHICAL STANDARDS FOR PUBLIC OFFICIALS AND EMPLOYEES.”"
SECTION 15. Section 37 of the same Act is hereby amended as follows:

"SEC. 37. Restitution AND ADMINISTRATIVE SANCTIONS. - THE COMMISSION SHALL PUBLISH AND REGULARLY UPDATE A SCHEDULE OF ADMINISTRATIVE FINES AS MAY BE DETERMINED BY THE COMMISSION TO BE APPROPRIATE, TAKING INTO CONSIDERATION THE ATTENDANT CIRCUMSTANCES, SUCH AS THE NATURE AND GRAVITY OF THE VIOLATION, AND NUMBER OF AFFECTED DATA SUBJECTS, WHICH SHALL NOT EXCEED FIVE MILLION PESOS (PHP5,000,000.00) PER VIOLATION.

AFTER DUE NOTICE AND HEARING, THE COMMISSION SHALL IMPOSE SANCTIONS, INCLUDING ADMINISTRATIVE FINES, WARNING OR REPRIMAND, UPON ANY PERSON FOR THE VIOLATION OF THIS ACT, ITS IMPLEMENTING RULES AND REGULATIONS, OR FOR FAILURE OR REFUSAL TO COMPLY WITH NPC ORDERS, RESOLUTIONS AND OTHER ISSUANCES.

[Restitution for any aggrieved party shall be governed] IN AWARDING OF CIVIL INDEMNITY TO DATA SUBJECTS AND RESTITUTION OF THE AGGRIEVED PARTY, THE COMMISSION SHALL BE GUIDED by the provisions of the New Civil Code.

THE IMPOSITION OF THE ADMINISTRATIVE SANCTIONS OR AWARD OF CIVIL INDEMNITY SHALL BE WITHOUT PREJUDICE TO THE FILING OF CRIMINAL CHARGES TO THE PERSONS RESPONSIBLE FOR THE VIOLATION."

SECTION 16. A new Section 41-A shall be inserted to read as follows:

"SEC. 41-A. USE OF ADMINISTRATIVE FINES AND FEES. FOR A MORE EFFECTIVE AND EXPEDITIOUS IMPLEMENTATION OF THIS ACT, THE COMMISSION SHALL BE AUTHORIZED TO RETAIN, WITHOUT NEED OF A SEPARATE APPROVAL FROM ANY GOVERNMENT AGENCY, SUBJECT ONLY TO THE EXISTING ACCOUNTING AND AUDITING RULES AND REGULATIONS, ALL THE FEES, FINES, ROYALTIES AND OTHER CHARGES, COLLECTED BY THE COMMISSION UNDER THIS ACT, FOR USE IN ITS OPERATIONS, LIKE UPGRADING OF ITS FACILITIES, EQUIPMENT OUTLAY, HUMAN RESOURCE DEVELOPMENT, AND THE ACQUISITION OF THE APPROPRIATE OFFICE SPACE, AMONG OTHERS, TO IMPROVE THE DELIVERY OF ITS SERVICES TO THE PUBLIC. THIS AMOUNT, WHICH SHALL BE IN ADDITION TO THE ANNUAL BUDGET OF THE COMMISSION, SHALL BE DEPOSITED AND MAINTAINED IN A SEPARATE ACCOUNT OR FUND, WHICH MAY BE USED OR DISBURSED DIRECTLY BY THE COMMISSION."

SECTION 17. Separability Clause. - If any provision or part hereof is held invalid or unconstitutional, the remainder of the law or the provision not otherwise affected shall remain valid and subsisting.

SECTION 18. Repealing Clause. - All other laws, decrees, executive orders, proclamations and administrative regulations or parts thereof inconsistent herewith are hereby repealed or modified accordingly.

SECTION 19. Effectivity Clause. - This Act shall take effect fifteen (15) days after its publication in at least two (2) national newspapers of general circulation.

Approved,