

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

THIRTEENTH CONGRESS
First Regular Session
House Bill No. 1485

Introduced by: HON. OSCAR G. MALAPITAN

EXPLANATORY NOTE

Telecommunications is a vital ingredient in the attainment of economic development. New advances in technology, particularly in the field of telecommunications, is essential to bring about a pump primed economy.

At present, there are about six (6) cellular phone companies operating nationwide with almost 5 million subscribers and still expanding in coverage. These companies are Globe Telecommunications (Globe), Smart Communications (Smart), Pilipino Telephone Corporation (Piltel), Express Telecommunications Company (Extelcom), Isla Communications (Islacom) and Sun Telecommunications (Sun).

Cellular Mobile Telephone Service (CMTS) operators are issued certificates of public convenience and necessity (CPCN) by the National Telecommunications Commission (NTC) based on the premise that the provision of said service and the authorization to do business will promote public interest in a proper and suitable manner. Republic Act No. 7925, otherwise known as "The Public Telecommunications Policy Act of the Philippines" provides among others. The right of end users to entitlement of utility service which is non-discriminatory, reliable and conforming with the minimum standards set by the National Telecommunications Commission."

Pursuant to this declared policy this bill seeks to protect one of the basic rights of cellular phone subscribers by changing the basis for billing from the existing one (1) minute increment to the actual time consumed by the subscriber. Similarly, drop calls, both pre-paid and plan subscribers should not be charged to the subscriber.

In view thereof, the approval of this bill is earnestly sought.


Hon. OSCAR "OCA" G. MALAPITAN

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AN ACT
PROTECTING THE RIGHTS OF CELLULAR PHONE SUBSCRIBERS

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 "Cellular Phone Subscribers Protection Act of 2004."

Section 2. Declaration of Policy- It shall be the policy of the state to protect the rights and interest of cellular phone subscribers pursuant to Republic Act No. 7925, otherwise known as "The Public Telecommunications Policy Act of the Philippines" which provides among others, the right of end-users to entitlement of utility service which is non-discriminatory, reliable and conforming with the minimum standards set by the National Telecommunications Commission (NTC).

Section 3. Cellular Phone Subscriber Protection Program- The National Telecommunications Commission hereinafter referred to as the "Commission," is hereby directed to implement this measure described as follows:

- a. **Drop Calls Credit** – a drop call is an unsuccessful call caused by poor network coverage or poor quality of service, where a caller hears a series of rings which is attempting or endeavoring to connect but which abruptly disengage or sever its connection as against the party being called. Drop calls, both pre-paid and plan subscribers, should be given credit;
- b. **Basis for Billing** – charging of calls shall be based on the actual time consumed by the subscriber as against the existing one (1) minute increment.

Billing Increment- Charging of calls shall be based on a thirty (30) second increment as against the existing one (1) minute increment. The charging of calls not exceeding thirty (30) seconds shall therefore be charged half of the existing charges imposed by Cellular Mobile Telephone Service (CMTS) operators.

Section 4. The Subscribers Protection Office (SPO). - There shall be created a Subscribers Protection Office under the existing National Telecommunications Commission which shall undertake necessary measures to protect the interest of the subscribers. The Office shall ensure that cellular phone subscribers are protected from unfair practices. It shall look into the details and manner of manufacture and production of cellular pre-paid cards and phone cards. It shall also accept and entertain complaints of subscribers and verify the same. It shall conduct investigations in coordination with existing offices of the National Telecommunications Commission and shall recommend to the Commission the initiation of charges and/or imposition of penalty against CMTS providers if found warranted. It shall perform other functions as mandated by the Commission.

Section 5. Implementing Guidelines- The Commission shall issue the necessary rules and regulations to effectively implement the provisions of this Act.

Section 6. Repealing Clause- All laws, decrees, orders, rules, and regulations, ordinances, on any part thereof, inconsistent herewith are hereby repealed or modified accordingly.

Section 7. Effectivity- This Act shall take effect fifteen (15) days following the completion of its publication in at least two (2) newspaper of general circulation.

Approved,