

Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City

SIXTEENTH CONGRESS
Second Regular Session

HOUSE BILL NO. 5331



Introduced by Rep. Winston "Winnie" Castelo

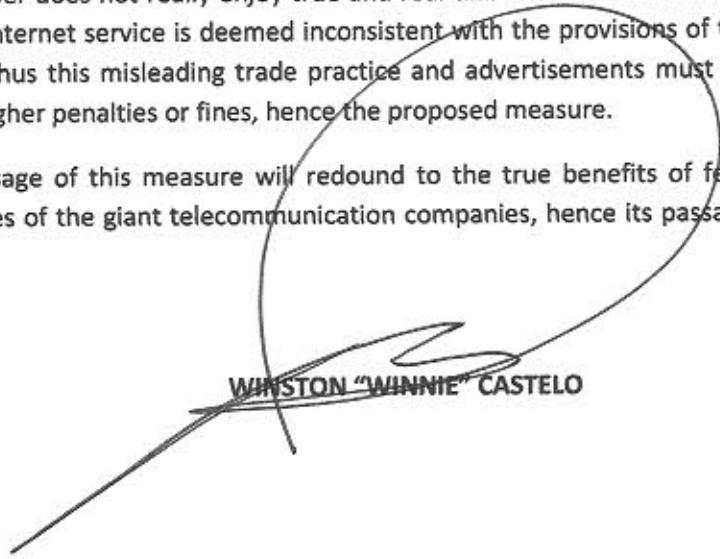
EXPLANATORY NOTE

In light of most recent public advisory issued by the Department of Justice Secretary Leila de Lima, it now behooves Congress to impose stronger regulatory sanctions against telecommunication giants whose promises of unlimited internet offers are not actually delivered and thus violates existing laws requiring truth in advertising and consistency in the provision of the service.

What the telecommunication giants that dominate the whole telecommunication service sector actually do is a 'deceptive business practice' which apparently imposes only a fine of at least P500.00 but not more than P10,000 or imprisonment of at least five months to at most one year or both.

It shall constitute a faulty argument on the part of the telecommunication companies when in offering unlimited internet service, they however invoke 'fair usage policy' (FUP) which simply means that the user or the subscriber does not really enjoy true and real unlimited internet service. This 'fair usage policy' on unlimited internet service is deemed inconsistent with the provisions of the Consumer Act of the Philippines and thus this misleading trade practice and advertisements must be addressed through the imposition of higher penalties or fines, hence the proposed measure.

The immediate passage of this measure will redound to the true benefits of few millions of subscribers using the services of the giant telecommunication companies, hence its passage is deemed urgent.


WINSTON "WINNIE" CASTELO

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AN ACT
IMPOSING HIGHER FINE OR PENALTY AGAINST TELECOMMUNICATION COMPANIES INVOLVED IN
MISLEADING OR DECEPTIVE TRADE AND/OR BUSINESS PRACTICE AND ADVERTISEMENTS AND FOR
OTHER PURPOSES

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

SECTION 1. This Act shall be known as the 'Internet Subscribers Protection Act of 2014'.

SEC. 2. The fine of at least P50,000 to not more than P1,000,000 or the penalty of at least 4 years to not more than 6 years shall be imposed upon a telecommunication company or internet service provider and/or its CEO/president that shall be found violating the implied provisions under the Consumer Act of the Philippines and the Truth in Advertising

SEC 3. When a telecommunication internet service fails to deliver on its promise for unlimited internet service by invoking a 'fair usage policy', this being tantamount to an inconsistency in its offer, promise, and/or advertisement, the subscribers are deemed effectively short-changed and prevented the full enjoyment of the desired/preferred service they paid for.

SEC 4. The National Telecommunications Commission shall henceforth issue appropriate rules, regulations, issuances and guidelines to carry out the intent of this Act,

SEC. 5. This Act shall take effect thirty (30) days upon its publication in the Official Gazette and in at least three (3) newspapers of general circulation

Approved,