

Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City

SEVENTEENTH CONGRESS
Third Regular Session

HOUSE BILL NO. 8241



Introduced by Representative MICHAEL L. ROMERO

EXPLANATORY NOTE

A **reconnection fee** is intentionally made significantly to deter late payments and encourage customers to pay their bills within the grace period mandated.

Nonetheless, there are cases where our low-income customers-subscribers have established their inability to pay their bills in full and on time. (Allow staggered bill payments).

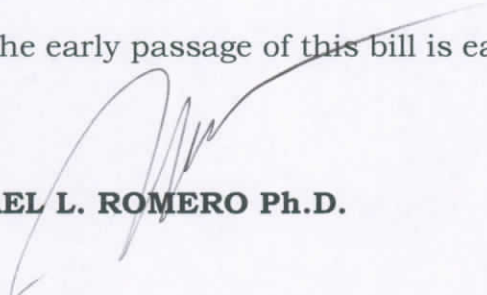
We must fully understand and make every effort to accommodate the financial limitations of our marginalized customers-subscribers. We have to comply with the directives, but we also have to be fair to our paying customers-subscribers.

This House Bill seeks to streamline and uphold the protection and interests of the consumer-subscriber, foster general welfare and to establish fair standards of conduct for all business and industry.

Towards this end, the State shall implement measures to achieve these noble objectives.

Thus, the early passage of this bill is earnestly requested.

MICHAEL L. ROMERO Ph.D.



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HOUSE BILL NO. **8241**

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AN ACT

PROHIBITING ALL TELECOMMUNICATIONS COMPANY (**SERVICE PROVIDER**) TO CHARGE AND COLLECT **RECONNECTION FEES**, TO FOSTER CONSUMER-SUBSCRIBER PROTECTION, PROVIDING PENALTIES AND SANCTIONS, AND FOR OTHER PURPOSES

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

SECTION 1. DECLARATION OF POLICY – it is hereby a declared policy of the state to:

- a. Uphold the interests of the consumers;
- b. Foster the general welfare and create justifiable standards of protocol for all business and industries;
- c. Safeguard against all forms of deception, unfair and unethical practices and schemes;
- d. Promote the proper implementation of the rights of the consumer-subscriber; and
- e. Accelerate the imposition of all existing policies and guidelines of the RA7394 (**Consumer act of the Philippines**).

SECTION 2. PROHIBITING THE COLLECTION OF RECONNECTION FEES:

- a. All telecommunications company / service provider shall be prohibited from charging and collecting reconnection fees;
- b. This prohibition shall apply to all postpaid subscriptions under a service contract, regardless of the duration of its contract; and
- c. This prohibition shall apply regardless of the tenure of the contract consummated by the subscriber.

SECTION 3. PENALTIES AND SANCTIONS:

For every violation of this act; or for every failure to comply with;

The Telecommunications company/Service provider shall pay a fine of not less than Two hundred thousand pesos (**₱200,000.00**) for the first offense; a fine of not less than Five hundred thousand pesos (**₱500,000.00**) for the second offense.

In case of subsequent offenses;

The penalty shall be a fine of not less than One million pesos (**₱1,000,000.00**), and revocation of the franchise to operate.

SECTION 4. TRANSITORY PROVISION – Existing industries, businesses and offices affected by the implementation of this Act shall be given six **(6)** months transitory period from the effectivity of the IRR or such other period as may be determined, to comply with the requirements of this Act.

SECTION 5. IMPLEMENTING RULES AND REGULATIONS – The departments and agencies charged, to be led by the Bureau of Communication Services (**BCS**) of the PCOO, Department of Trade and Industry (**DTI**),

Department of Information and Communications Technology (**DICT**) and the National Telecommunication Commission (**NTC**) with carrying out the provisions of this Act, shall within sixty (**60**) days after the effectivity of this Act, formulate the necessary rules and regulations for its effective implementation.

SECTION 6. REPEALING CLAUSE – All laws, decrees, executive orders, rules and regulations, or parts thereof inconsistent with the provisions of this Act are hereby repealed or modified accordingly.

SECTION 7. SEPARABILITY CLAUSE – If, for any reason, any section or provision of this Act is held unconstitutional or invalid, the other sections or provisions hereof shall not be affected thereby.

SECTION 8. EFFECTIVITY CLAUSE – This Act shall take effect after fifteen (15) days from its publication in the Official Gazette or in at least two (2) national newspapers of general circulation whichever comes earlier.

Approved,