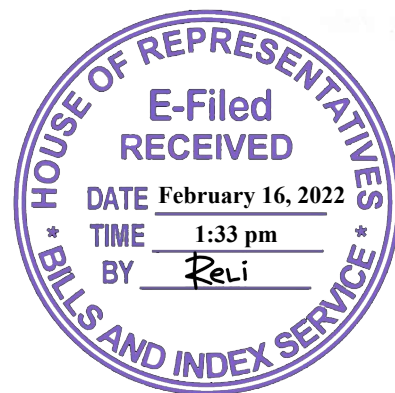


EIGHTEENTH CONGRESS)
REPUBLIC OF THE PHILIPPINES)
Third Regular Session)



HOUSE OF REPRESENTATIVES

Introduced by Representative Rufus B. Rodriguez

House Bill No. 10805

EXPLANATORY NOTE

Internet access has become more and more important in our lives today. Almost everyone needs internet access for work, for school, and for access to vital information. Many other countries have passed legislation to promote internet access.

The Philippines has Republic Act No. 10929 otherwise known as "Free Internet Access in Public Places Act" which declares that the "State hereby recognizes the vital role of information and communications technology in nation-building, and declares its policy to promote an environment for the development of structures that would ensure the availability and accessibility to reliable and secure internet access suitable to the needs and aspirations of the nation".

However, internet access in the Philippines remains limited. According to a survey of Pew Research Center released last April 2020, the Philippines ranked 29th out of 34 countries surveyed in terms of access to the internet. In the Digital Quality of Life Index 2020, the Philippines lands at the 82nd place, out of 85 spots, in terms of internet affordability.

Internet charges still remain quite high and many Filipinos rely on mobile data which unfortunately is also not that affordable. As such, there is a need to provide not just cheap access to Internet, but meaningful access as well.

This bill aims to establish a lifeline rate for Internet access, similar to the lifeline rate implemented in other utilities such as electricity and potable water. Such rate recognizes Internet access as a primary right and provides a much-needed assistance to low-income and connectivity-dependent Internet consumers.

In view of the foregoing, immediate approval of this measure is earnestly requested.


RUFUS B. RODRIGUEZ

EIGHTEENTH CONGRESS)
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AN ACT

IMPLEMENTING A LIFELINE RATE FOR INTERNET SERVICES, AMENDING FOR THIS PURPOSE SECTION 17 OF REPUBLIC ACT NO. 7925, OTHERWISE KNOWN AS THE "PUBLIC TELECOMMUNICATIONS POLICY ACT OF THE PHILIPPINES"

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

SECTION 1. Extension of Lifeline Rate. - Section 17 of Republic Act No. 7925, otherwise known as the "Public Telecommunications Policy Act of the Philippines", is hereby amended to read as follows:

"SEC. 17. Rates and Tariffs, - The Commission shall establish rates and tariffs which are fair and reasonable and which provide for the economic viability of telecommunications entities and a fair return on their investments considering the prevailing cost of capital in the domestic and international markets.

The Commission shall exempt any specific telecommunications service from its rate or tariff regulations if the service has sufficient competition to ensure fair and reasonable rates or tariffs. The Commission shall, however, retain its residual powers to regulate rates or tariffs when ruinous competition results or when a monopoly or a cartel or combination in restraint of free competition exists and the rates or tariffs are distorted or unable to function freely and the public is adversely affected. In such cases, the Commission shall either establish a floor or ceiling on the rates or tariffs.

A BROADBAND AND DATA LIFELINE RATE FOR QUALIFIED MARGINALIZED INTERNET END-USERS SHALL BE SET BY THE COMMISSION. "LIFELINE RATE" REFERS TO A SOCIALIZED PRICING MECHANISM IN THE FORM OF APPLICABLE DISCOUNTS BASED ON CONSUMPTION THRESHOLDS. THE LEVEL OF CONSUMPTION AND CORRESPONDING DISCOUNT RATES SHALL BE DETERMINED BY THE COMMISSION AFTER DUE NOTICE AND HEARING: PROVIDED, THAT THE COMMISSION CANNOT SET A BASE LEVEL OF CONSUMPTION LESS THAN ONE (1) GIGABYTE PER MONTH OR A BASE DISCOUNT LOWER THAN TWENTY PERCENT (20%).

QUALIFIED MARGINALIZED INTERNET END-USERS SHALL REFER TO THE FOLLOWING:

(A) QUALIFIED HOUSEHOLD-BENEFICIARIES UNDER REPUBLIC ACT NO. 11310, OTHERWISE KNOWN AS THE PANTAWID PAMILYANG PILIPINO PROGRAM, AS REGULARLY SUBMITTED BY

THE DEPARTMENT OF SOCIAL WELFARE AND DEVELOPMENT (DSWD) TO THE COMMISSION, AND THE PUBLIC TELECOMMUNICATIONS ENTITY; OR

(B) MARGINALIZED END-USERS AS CERTIFIED BY THE PUBLIC TELECOMMUNICATIONS ENTITY BASED ON A CRITERIA DETERMINED BY THE COMMISSION: PROVIDED, THAT THE CRITERIA SHALL TAKE INTO ACCOUNT THE POVERTY THRESHOLD SET BY THE PHILIPPINE STATISTICS AUTHORITY, AND PRIORITIZE MEMBERS OF INTERNET AND/OR CONNECTIVITY-DEPENDENT SEGMENTS OF SOCIETY SUCH AS STUDENTS, SENIOR CITIZENS, PERSONS WITH DISABILITIES, THE ELDERLY AND THE LIKE, AND SHALL CONTAIN AN EXCLUSIVE LIST OF REQUIREMENTS TO BE SUBMITTED TO THE PUBLIC TELECOMMUNICATIONS ENTITY: PROVIDED FURTHER, THAT THE EXCLUSIVE LIST OF REQUIREMENTS AND THE PROCEDURE FOR THEIR SUBMISSION, WHICH SHALL BE SUBJECT TO THE REVIEW AND SUPERVISION OF THE COMMISSION, SHALL NOT BE BURDENSOME FOR THE APPLICANT: PROVIDED FINALLY, THAT THE PUBLIC TELECOMMUNICATIONS ENTITY SHALL ACT ON THE APPLICATION FOR CERTIFICATION AS QUALIFIED MARGINALIZED END-USER WITHIN TWO (2) WORKING DAYS FROM SUBMISSION OF COMPLETE DOCUMENTARY REQUIREMENTS, AND SHALL NOT UNREASONABLY WITHHOLD OR DELAY THE ISSUANCE OF SUCH CERTIFICATION. THE COMMISSION SHALL PROMULGATE RULES AND GUIDELINES FOR QUALIFIED MARGINALIZED END-USERS WHOSE ACCOUNTS ARE NOT REGISTERED IN THEIR NAME. THE COMMISSION SHALL SUBMIT TO THE JOINT CONGRESSIONAL ENERGY COMMISSION AN ANNUAL REPORT ON THE IMPLEMENTATION OF THE LIFELINE RATE, AND A COMPREHENSIVE EVALUATION OF ITS IMPLEMENTATION EVERY TWO (2) YEARS TO INCLUDE A COST-BENEFIT ANALYSIS AS WELL AS MODES OF VALIDATION AND PREVENTION OF LEAKAGES AND ABUSE."

SEC 2. Implementing Rules and Regulations. – The National Telecommunications Commission, in coordination with the Department of Information and Communications Technology, and in consultation with other stakeholders from the public and private sectors shall, within sixty (60) days from the date of effectivity of this Act, promulgate and publish the rules and regulations for the effective and faithful implementation of this Act: Provided, That the failure of the promulgation of the said rules and regulations shall not prevent the implementation of this Act upon its effectivity.

SEC 3. Separability Clause. – If, for any reason or reasons, any part or provision of this Act shall be declared as unconstitutional or invalid, the other parts or provisions hereof which are not affected thereby shall continue to be in full force and effect.

SEC 4. Repealing Clause. – All provisions of existing laws, orders, rules and regulations or parts thereof which are in conflict or inconsistent with the provisions of this Act are hereby repealed, amended or modified accordingly.

SEC 5. Effectivity. – This Act shall take effect fifteen (15) days after its publication in the Official Gazette or in a newspaper of general circulation in the Philippines.

Approved,