

Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City

NINETEENTH CONGRESS
First Regular Session

HOUSE BILL NO. **516**



Introduced by **HONORABLE RAMON JOLO B. REVILLA III**

EXPLANATORY NOTE

This bill seeks to institutionalize a “roll-over data scheme” mandatory to all Internet Service Providers.

The New Normal brought about the COVID-19 pandemic has brought more reliance on the internet, online/virtual communications, and digital technology. From transactions, to meetings, and even with the modalities of learning – all of these activities are now heavily dependent on internet connectivity. This transformation has brought to our attention the gaps and weaknesses of our country’s internet infrastructure and capabilities. As such, it is imperative that the government enact and implement policies to address this problem and provide interventions that will improve the quality of services offered by Internet Service Providers (ISPs), and telecommunication companies operating in our country.

Through the roll-over data scheme, unused data allocation from internet data packages or promos will not expire but will instead carry over to succeeding months until the end of the calendar year. If at the end of the year, there are still remaining unused data allocations, the same will be converted to rebates which, in turn, may be used for future subscriptions. Subscribers will definitely get the full value of money they spent for these packages and/or promos.

This will prevent the scenario that subscribers will lose data allocation just because the expiry date of the package and/or promo had already lapsed. This situation is quite unfortunate, especially for the less fortunate who are forced to allocate their meager financial resources to internet subscriptions.

In this view, immediate approval of this bill is earnestly sought.


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AN ACT
MANDATING AND INSTITUTIONALIZING ROLL OVER DATA ALLOCATION
SCHEME AND PROVIDING FOR PENALTIES

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

SECTION 1. *Short Title.* – This Act shall be known as the “Roll-Over Internet Act.”

SECTION 2. *Declaration of Policy.* – The State recognizes the vital role of information and communications technology in nation building. The State shall implement measures to provide for regulations on internet services provided by internet service providers and ensure that the interest and welfare of the people and the consuming public are protected and upheld.

SECTION 3. *Definition of Terms.* – For Purposes of this Act, the following items shall have the following meaning:

- a) *Data capping* refers to the limit of bandwidth allocation an internet service provider (ISP) is offering to its subscribers per day, week, or month;
- b) *Internet Data Package* refers to the internet service packages, plans, or promos offered by ISPs with maximum limits on the open access data volume an end user may avail per set period of the package.
- c) *Internet Service Provider* refers to any service-based operator whose services involve the combination of computer processing, information storage, protocol conversion, and transmission to enable subscribers to access internet content and services as well as multimedia services and its transmission of data through digital subscriber line (DSL), fixed wireless broadband, cable broadband, fiber-optic or fiber-to the-home (FTTH) and mobile data to enable

subscribers to access internet content and services, as well as multimedia services;

- d) *Offer Duration* refers to the length of time a subscriber or user is allowed to use an internet data package service and promos;
- e) *Roll-Over Data Allocation* refers to the unused internet data allocation per day, week, or month, as the case may be, depending on the applicable Internet Data Package, which shall be carried over to the following day, week, or month until it is fully consumed; and,
- f) *Unlimited Internet Data Package* refers to an internet service package with no data cap.

SECTION 4. *Coverage.* – All ISPs in the Philippines shall be covered by this Act.

SECTION 5. *Roll-Over Data Allocation Scheme.* – All ISPs are required to implement a Roll-Over Data Allocation Scheme for their subscribers as follows:

- a) For postpaid subscribers:

The rolled-over data allocation shall be prioritized to be consumed in the preceding month; Provided, that the unused data every month will be rolled-over and accumulated up until the last month of the year: Provided further, that all unused data allocation for a year may be used and converted as rebates, that may be used by subscribers as payment for internet service in the succeeding year of subscription.

- b) For prepaid subscribers or users and postpaid subscribers who avail of internet data package promo offers:

- 1) Unused data allocation shall be rolled-over provided that the subscriber or user who renews the subscription right after the lapse of the offer duration;
- 2) The unused data allocation of subscribers or users who fail to renew their subscription shall be reduced by twenty percent (20%) every day until the subscription is renewed; and,
- 3) If after five (5) days, the subscription is not renewed, all unused data allocation shall be considered consumed.

SECTION 6. *Exemptions.* – Subscribers who availed and shall avail of any unlimited Internet data package with no data cap shall be exempted from this Act.

SECTION 7. Penalties. - Any ISP who fails to comply with any of the provisions of this Act, the following penalties shall be imposed:

- a) A fine of fifty thousand pesos (P50,000.00) per violation per subscriber; and,
- b) For repeated violations, aside from fine, revocation or cancellation of the license, registration, or franchise of an ISP including the waiving of any pre-termination fees of affected subscriber.

SECTION 8. *Implementing Rules and Regulations.* -- Within sixty (60) days from the effectivity of this Act, the Secretary of the Department of Information and Communications Technology (DICT), in coordination with the National Telecommunications Commission (NTC) and other concerned agencies, shall promulgate the rules and regulations and other issuances as may be necessary to ensure the effective implementation of this Act.

SECTION 9. *Separability Clause.* --- Should any part or provision of this Act shall be declared unconstitutional or invalid, the remaining parts or provisions not affected thereby shall remain in full force and effect.

SECTION 10. *Repealing Clause.* — All laws, decrees, executive orders, issuances, rules and regulations which may be inconsistent with any of the provisions of this Act are hereby repealed, amended, or modified accordingly.

SECTION 11. *Effectivity Clause.* — This Act shall take effect fifteen (15) days after its publication in the Official Gazette or in a newspaper of general circulation.

Approved,