



Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City

NINETEENTH CONGRESS
First Regular Session

HOUSE BILL NO. 4175



INTRODUCED BY REP. HARRIS CHRISTOPHER M. ONGCHUAN

EXPLANATORY NOTE

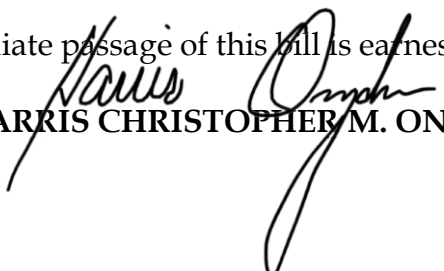
The COVID-19 pandemic has shown the increase in demand for better internet connection in the Philippines. In fact, it made Internet Service Providers (ISPs) provide better connectivity and reliability to their customers. As the country now transitions from a work-from-home set-up towards a blended and onsite work and school set-up, the best practices that were seen from the pandemic have to be adopted and institutionalized.

This bill aims to ensure the quality of service being provided for by the Internet Service Providers by allowing for a roll-over data scheme. In essence, what Filipinos pay towards ISPs is the ability to connect to the internet, with the companies setting a data cap for their customers. This bill seeks to institutionalize the idea that unused data by the consumers will be carried on towards the cap of their next monthly data usage. This will continue to do so until the end of the year.

In line with the country keeping up with digitalization and global standards, the bill will be able to allow the government to enact and implement policies that will improve the consumption of consumers with the services that they avail with companies, specifically Internet Service Providers.

This bill was first filed by Rep. Pineda and Romera in the 18th Congress. This bill is a copy of the Third Reading Copy that was transmitted to the Senate in the 18th Congress.

In view of the foregoing, the immediate passage of this bill is earnestly sought.


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HARRIS CHRISTOPHER M. ONGCHUAN

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 and 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. — As used in this Act:

- a. ***Data capping*** refers to the limit of bandwidth allocation and internet service providers (ISP) is offering to its subscriber per day, week, or month;
- b. ***Internet Data Package*** refers to the internet service packages, plans or promos offered by the ISPs with maximum limits on the open access data volume and 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;
- 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 or users:

The rolled-over data allocation should 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:
 - i. Unused data allocation shall be rolled-over provided that the subscriber or user renews the subscription right after the lapse of the offer duration.
 - ii. The unused data allocation of subscribers or users who fail to renew subscription shall be reduced by twenty percent (20%) every day until the subscription is renewed.
 - iii. 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 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 deemed repealed, amended or modified accordingly.

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

Approved.