

Republic of the Philippines
HOUSE OF REPRESENTATIVES
Batasan Hills, Quezon City

NINETEENTH CONGRESS
First Regular Session



HOUSE BILL No. 6290

Introduced by
ACT Teachers Party-List Rep. FRANCE L. CASTRO,
GABRIELA Women's Party Rep. ARLENE D. BROSAS,
and **KABATAAN Party-List Rep. RAOUL DANNIEL A. MANUEL**

AN ACT
REQUIRING PUBLIC TELECOMMUNICATION ENTITIES AND
INTERNET SERVICE PROVIDERS TO GRANT REFUNDS TO
CONSUMERS IN CASE OF SERVICE OUTAGES AND DISRUPTIONS AND
PROVIDING PENALTIES FOR VIOLATIONS THEREOF, THEREBY
AMENDING REPUBLIC ACT 7925, OR THE *PUBLIC*
TELECOMMUNICATIONS POLICY ACT OF THE PHILIPPINES

EXPLANATORY NOTE

The National Telecommunications Commission (NTC) has been “hands off” since 1995 with the passage of Republic Act 7925, which effectively ushered a regime of intensified deregulation and privatization in the telecommunication industry. This hands-off policy resulted in the Philippines having one of the slowest internet as well as the most unreliable phone services in all Asia. The NTC and the Department of Science and Technology-ICT Office (DOST ICTO, formerly the Commission on Information and Communication Technology) admitted that the said law is the reason why the government has difficulty in regulating internet service today.

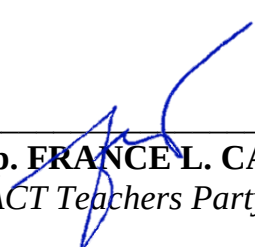
Teachers, students, and employees and workers in both public and private sectors who use the internet and call and text services as part of their jobs are among the top end-users. Consequently, they are the top victims of the notorious unreliable services, characterized by lagging internet and signal disruptions, provided by players in telecommunications industry, including the biggest ones like PLDT, Globe, and Smart. At the height of the pandemic during which public and private education resorted to distance learning, the exasperating situation where buffering, frozen video, and garbled

audio take up most of the online class hounded most teachers and students.

Yet when the bills come in, one would not think, from the high amounts that end-users have to pay, that the quality and reliability of service is so dismal. On top of the expensive subscription and base rates—which are the highest among the region—Filipinos pay for the horrid, and sometimes even non-existent, telecommunications services. This violates the assurance in Section 20 of RA 7925 that end-users have the right to reliable utility service as well as the right to accurate billing.

It is therefore urgent to mandate public telecommunication entities, including ISPs, to grant end-users refunds whenever service outages or disruptions occur. To strengthen consumers' rights, penalties for each day of outage or disruption are also proposed to be imposed.

Letting things stand is a major disservice to teachers, students, employees and workers, and all Filipinos. Approval of this bill is therefore earnestly sought.



Rep. FRANCE L. CASTRO
ACT Teachers Party-List



Rep. ARIENE D. BROSAS
GABRIELA Women's Party



Rep. RAOUL DANNIEL A. MANUEL
KABATAAN Party-List

Republic of the Philippines
HOUSE OF REPRESENTATIVES
Batasan Hills, Quezon City

NINETEENTH CONGRESS
First Regular Session

HOUSE BILL No. 6290

Introduced by
ACT Teachers Party-List Rep. FRANCE L. CASTRO,
GABRIELA Women's Party Rep. ARLENE D. BROSAS,
and **KABATAAN Party-List Rep. RAOUL DANNIEL A. MANUEL**

AN ACT
REQUIRING PUBLIC TELECOMMUNICATION ENTITIES AND
INTERNET SERVICE PROVIDERS TO GRANT REFUNDS TO
CONSUMERS IN CASE OF SERVICE OUTAGES AND DISRUPTIONS AND
PROVIDING PENALTIES FOR VIOLATIONS THEREOF, THEREBY
AMENDING REPUBLIC ACT 7925, OR 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. *Short Title.* – This Act shall be known as the *Refund for Internet and Telecommunications Services Outages and Disruptions Act of 2022*.

SEC. 2. A new subsection under Section 3 of Republic Act 7925, or the *Public Telecommunications Policy Act of the Philippines* is hereby inserted to read as follows:

X X X

(L) SERVICE OUTAGE - THE COMPLETE OR PARTIAL FAILURE OF INTERNET OR TELECOMMUNICATIONS SERVICES.

SEC. 3. A new Section 21 is hereby inserted after Section 20 to read as follows:

SECTION 21. *Refunds for internet and telecommunications service*

outages and interruptions. – Pursuant to the rights of end-users to reliable utility service and to accurate billing under the preceding Section, public telecommunication entities, including internet service providers (ISPs), shall, on a pro-rated basis, provide a refund credit to a customer, or adjust the bill of the latter, who has experienced an internet service outage or disruption for an aggregate period of at least twenty-four (24) hours within a month, except where such outage is due to a fortuitous event. No action shall be required of the customer by the said entities concerned as prerequisite to receive a refund credit or bill adjustment; *Provided, That* the consumer shall not be precluded from filing a complaint to the appropriate administrative and/or quasi-judicial agency for disputes regarding refund or bill adjustment.

Refunds or bill adjustments shall likewise be granted to prepaid subscribers.

The Commission shall, *motu proprio* or upon complaint of any interested party, in the appropriate administrative and/or quasi-judicial process, and in accordance with due process, shall:

(1) Impose a fine of not less than Two Hundred Thousand Pesos (₱200,000.00) but not more than Two Million Pesos (₱2,000,000.00) per day of outage; *Provided, That* the Commission shall decide the amount of penalty on a pro rata basis in case of disruption; and

(2) For repeated violations, the Commission shall also revoke the entity's provisional authority or certificate of public convenience and necessity, or cancel the registration of the ISP, whichever applies, including the waiving of any pre-termination fees of affected subscribers and timely disbursement of any remaining credits from excessive downtime.

SEC. 4. The subsequent Sections are hereby renumbered accordingly.

SEC. 5. *Separability Clause.* – Should any provision of this Act or any part hereof be declared invalid, the other provisions insofar as these are separable from the invalid ones shall remain in force and effect.

SEC. 6. *Repealing Clause.* – All laws, presidential decrees, executive orders, proclamations, rules and regulations, or any part thereof, which are inconsistent with the provisions of this Act are hereby repealed or modified accordingly.

SEC. 7. *Effectivity.* – This Act shall take effect fifteen (15) days after its publication in the *Official Gazette* or at least two (2) newspapers of general circulation.

Approved,