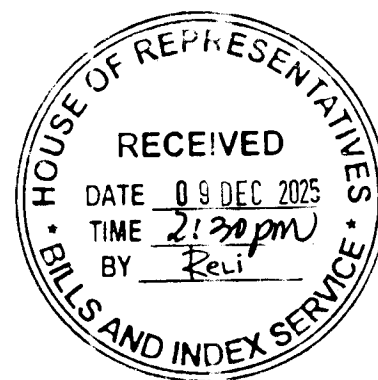


Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City, Metro Manila

TWENTIETH CONGRESS
1st Regular Session

House Bill No. 6712



Introduced by Representative HON. ADRIAN JAY C. ADVINCULA

EXPLANATORY NOTE

The Internet has become an indispensable tool for communication, commerce, education, and governance. As such, its distribution and maintenance must be governed by strict regulatory oversight to ensure safety, reliability, and aesthetic order in communities.

In recent years, the proliferation of non-telecommunication corporations engaging in the resale or redistribution of internet bandwidth, often without proper authorization from the National Telecommunications Commission (NTC), has raised growing public concern. These entities purchase bulk internet connections from duly licensed telecommunications companies and resell them to end-users for profit, operating outside the established regulatory and technical standards.

This unregulated practice has led to several adverse effects. First, it undermines fair competition by allowing unauthorized entities to engage in internet distribution without complying with the same requirements, fees, and service quality standards imposed upon legitimate Internet Service Providers (ISPs). Second, it endangers network integrity and consumer protection, as these unlicensed operators frequently lack the technical capacity and infrastructure necessary for stable and secure internet delivery.

Third, and most visibly, the uncontrolled installation of cables and wirings by these non-telco corporations has created widespread visual and physical clutter in urban and residential areas. The unsightly and haphazard network of dangling wires along streets, utility poles, and building facades has become a public eyesore, detracting from community aesthetics and, in some cases, posing safety hazards.

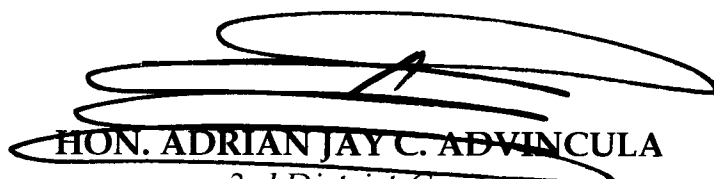
Moreover, these entities often fail to perform proper housekeeping or cable management once consumers discontinue their service. Abandoned or unused wirings are left hanging, accumulating over time and compounding the visual and safety issues faced by local communities. This negligence not only reflects poor industry practice but also imposes an undue burden on local governments, legitimate telcos, and the general public.

This proposed measure, entitled the “*Anti-Data Reselling Act*,” seeks to prohibit the resale, redistribution, or leasing of internet data, bandwidth, or speed by telecommunications corporations to non-telecommunication entities for the purpose of commercial resale or redistribution, unless expressly authorized by the NTC.

The bill aims to:

1. Preserve the integrity, safety, and reliability of the country’s telecommunications infrastructure;
2. Promote fair competition among duly licensed and regulated service providers;
3. Protect consumers from unregulated and unreliable service arrangements; and
4. Maintain order and cleanliness in public spaces by preventing unregulated wiring installations and requiring proper housekeeping in internet infrastructure management.

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



HON. ADRIAN JAY C. ADVINCULA
3rd District-Cavite

Republic of the Philippines
HOUSE OF REPRESENTATIVES
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TWENTIETH CONGRESS
1st Regular Session

House Bill No. **6712**

Introduced by Representative HON. ADRIAN JAY C. ADVINCULA

**AN ACT PROHIBITING THE RESELLING OF INTERNET DATA OR
BANDWIDTH BY TELECOMMUNICATION ENTITIES TO NON-
TELECOMMUNICATION CORPORATIONS, AND PROVIDING
PENALTIES THEREFOR**

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

1 SECTION 1. *Short Title.* This Act shall be known as the “*Anti-Data Reselling Act.*”

2 SEC. 2. *Declaration of Policy.* It is hereby declared the policy of the State to ensure
3 fair competition, consumer protection, and the efficient utilization of
4 telecommunication resources. The State recognizes the vital role of internet
5 connectivity in national development and aims to prevent the unauthorized or
6 inequitable resale of data and internet bandwidth that may result in unfair market
7 practices, service degradation, or violations of existing regulatory frameworks.

8 SEC. 3. *Definition of Terms.* For purposes of this Act, the following terms shall
9 mean:

- 10 a. *Telecommunications Entity (Telco)* - Any person, firm, partnership, or
11 corporation duly authorized and licensed by the National Telecommunications
12 Commission (NTC) to own, operate, or provide public telecommunications
13 services.
14 b. *Data or Internet Bandwidth Resale* - The act of purchasing bulk internet capacity
15 or data from a duly licensed telecommunications entity and subsequently
16 selling, redistributing, or leasing such capacity, whether for profit or otherwise,
17 to third parties without prior authorization from the NTC.
18 c. *Non-Telecommunication Corporation (Non-Telco)* - Any individual or entity not
19 duly licensed or authorized by the NTC to operate telecommunications services
20 or internet service provisioning.

1 SEC. 4. *Prohibition on Resale of Data or Bandwidth.* No telecommunications entity
2 shall sell, lease, or otherwise distribute bulk internet data, speed, or bandwidth to any
3 non-telecommunication corporation, for the purpose of resale, redistribution, or
4 commercial provisioning of internet connectivity to end-users, without prior
5 authorization from the NTC.

6 Likewise, no non-telecommunication corporation shall purchase, lease, or
7 otherwise acquire internet bandwidth from a telco for the purpose of resale,
8 redistribution, or commercial internet service provisioning.

9 SEC. 5. *Exemptions.* The following shall not be considered as violations under
10 this Act:

- 11 a. Legitimate corporate arrangements wherein a licensed Internet Service
12 Provider (ISP) operates under the authority or franchise of a
13 telecommunications entity;
- 14 b. Private network arrangements within a single organization or enterprise,
15 provided no resale or public distribution occurs;
- 16 c. Government-sanctioned projects or public-private partnerships duly approved
17 by the DICT or NTC; and
- 18 d. Any other acts analogous to the foregoing.

19 SEC. 6. *Regulatory Authority.* The National Telecommunications Commission
20 (NTC), in coordination with the Department of Information and Communications
21 Technology (DICT), shall promulgate the necessary rules, regulations, and guidelines
22 to implement this Act, including the approval, monitoring, and revocation of
23 authorized data distribution arrangements.

24 SEC. 7. *Penalties.* Any telecommunications entity or non-telco corporation
25 found violating the provisions of this Act shall be subject to the following penalties:

- 26 a. For the first offense – a fine of not less than Five Million Pesos (₱5,000,000.00)
27 and suspension of operating license or authority for thirty (30) days;
- 28 b. For the second offense – a fine of not less than Ten Million Pesos
29 (₱10,000,000.00) and suspension of operating license or authority for sixty (60) days;
- 30 c. For the third and subsequent offenses – a fine of not less than Twenty Million
31 Pesos (₱20,000,000.00), and permanent revocation of license, authority, or permit to
32 operate, without prejudice to civil and criminal liabilities under existing laws.

33 SEC. 8. *Separability Clause.* If any part or provision of this Act is declared
34 unconstitutional or invalid, the remaining portions not affected thereby shall remain
35 in full force and effect.

36 SEC. 9. *Repealing Clause.* All laws, decrees, orders, rules, and regulations
37 inconsistent with the provisions of this Act are hereby repealed or modified
38 accordingly.

1 SEC. 10. *Effectivity*. This Act shall take effect fifteen (15) days after its complete
2 publication in the *Official Gazette* or in at least two (2) newspapers of general
3 circulation.

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5
6 Approved,
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