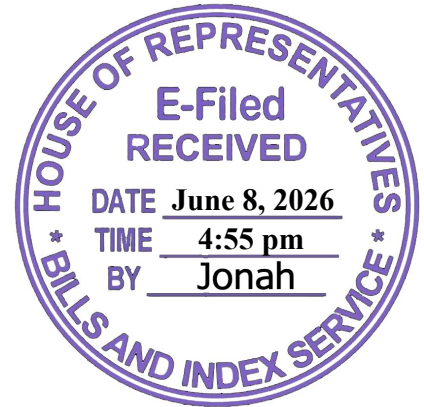


Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City, Metro Manila

TWENTIETH CONGRESS
First Regular Session

House Bill No. **9838**



Introduced by **Representative JEFFREY SORIANO**

EXPLANATORY NOTE

This bill seeks to mandate all Public Telecommunications Entities (PTEs) and Internet Service Providers (ISPs) operating in the Philippines to institute an automatic refund or bill adjustment mechanism. This is in favor of subscribers who have experienced service outages or interruptions for an aggregate period of twenty-four (24) hours or more within a billing month.

The Philippines faces a persistent and well-documented crisis in internet reliability. In 2024, Opensignal ranked the country among the lowest-performing nations in the world on this metric¹. A separate Opensignal study likewise placed the Philippines alongside India, Colombia, and Mexico as one of the lowest-scoring countries globally for broadband reliability². This is particularly damaging given that more than one and a half (1.5) million Filipinos work remotely and the Business Process Outsourcing (BPO) sector, which employs 1.82 million and contributes to roughly nine percent (9%) of the country's GDP, depends entirely on stable Internet connectivity³. Aside from this, ordinary consumers feel this too through dropped calls during online meetings, failed digital payments, and sudden data loss.

Under existing regulations, subscribers bear the burden of seeking compensation for service interruptions. This bill eliminates that transfer of burden to the consumers by mandating for refunds to be automatic and provider-initiated.

Reliable internet connectivity is no longer a luxury but an essential infrastructure in a competitive economy. Filipinos must not be forced to pay for a service they did not duly receive.

¹Gonzales, Gelo (December 29, 2025). *How automatic refunds for internet outages will work*. Rappler. <https://www.rappler.com/technology/features/explainer-automatic-refunds-internet-outages-house-bill-178/>. Accessed on 8 June 2026.

²Philstar (July 27, 2024). *Philippines flagged unreliable broadband service*. Philstar.com. <https://www.philstar.com/business/2024/07/27/2373196/philippines-flagged-unreliable-broadband-service>. Accessed on 8 June 2026.

³HireTalent.ph (March 26, 2026). *Filipino Remote Work Statistics: 50 Facts for 2026*. HireTalent.ph. <https://hiretalent.ph/filipino-remote-work/>. Accessed on 8 June 2026.

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

A handwritten signature in black ink, appearing to read 'Jeffrey Soriano', written over a diagonal line.

HON. JEFFREY SORIANO

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

TWENTIETH CONGRESS
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House Bill No. **9838**

Introduced by Representative JEFFREY SORIANO

AN ACT
MANDATING PUBLIC TELECOMMUNICATIONS ENTITIES AND INTERNET SERVICE PROVIDERS TO INSTITUTE AN AUTOMATIC REFUND MECHANISM FOR SERVICE OUTAGES AND DISRUPTIONS, PROVIDING PENALTIES FOR VIOLATIONS THEREOF

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 “*Automatic Refund for Internet and Telecommunications Services Outage and Disruptions Act*”.

SEC. 2. *Declaration of Policy.* – The State recognizes the vital role of information and communications technology in nation building. It shall implement measures to regulate internet and telecommunications services offered by public telecommunications entities (PTEs) and internet service providers (ISPs), to ensure reliable, accessible, and affordable connectivity, responsive and effective customer service, and the protection and promotion of the rights and welfare of the consuming public.

SEC. 3. *Definition of Terms.* – As used in this Act:

a. Fortuitous event refers to either an “act of God” or natural occurrences, such as floods, typhoons, storms, earthquakes and the like; or an “act of man”, namely riots, strikes, wars, governmental prohibitions, robbery, theft, sabotage, cyberattacks, deliberate destruction, or accidental damage to telecommunications facilities by third parties and the like;

b. Internet refers to the biggest global computer network providing a wide variety of information and communication facilities, consisting of interconnected networks using standardized communication protocols;

c. Internet access refers to the process of connecting to the internet using personal computers, laptops, or mobile devices by users;

d. Internet-Service Provider (ISP) refers to a public telecommunications entity (PTE) or value-added service (VAS) provider duly authorized by or registered with the National Telecommunications Commission (NTC) that provides users or other entities with data connection allowing internet access through physical transport infrastructure, and such access is necessary for internet users to reach content materials online; and

e. Public telecommunications entity (PTE) refers to any person, firm, partnership or corporation, government or private, engaged in the provision of telecommunications services to the public for a fee.

SEC. 4. *Coverage.* – All PTEs, including ISPs in the Philippines, shall be covered under this Act.

SEC. 5. *Network Maintenance.* – In the conduct of their necessary network maintenance to sustain or update their services, whether minor or major, the services provided by PTEs and ISPs may not be available. Thus, the planned repairs and improvements or the scheduled network maintenance carried out from time to time by PTEs and ISPs, which should be notified at least forty-eight (48) hours in advance and which shall not exceed a cumulative duration of forty-eight (48) hours in advance and which shall not exceed a cumulative duration of forty-eight (48) hours in a month, shall not be deemed as service outage. Likewise, the unscheduled maintenance or the emergency network maintenance where a repair is needed to an internet equipment or facility that suffered from unexpected breakdown or change in condition, shall not be considered as service outage.

SEC. 6. *Automatic Refunds for Internet and Telecommunications Service Outages and Interruptions.* – PTEs, including ISP, shall, on a pro-rated basis, provide a refund credit to a customer, or adjust a customer's bill, who was adversely affected by an internet service outage or interruption for an aggregate period of twenty-four (24) hours or more, within a month, except when the reasons for such outage is due to network maintenance, a fortuitous event, or acts of third party or subscriber.

The concerned PTEs and ISPs shall apply an automatic bill adjustment, without need for consumer to initiate request, after a standard process but shall not preclude the consumer from filing a complaint to the appropriate administrative or quasi-judicial agency for disputes regarding refund or bill adjustment amount.

The refund credit granted under the circumstances mentioned *supra*, shall likewise be granted to customers subscribing to a service on a pre-paid basis.

SEC. 7. *Penalties.* – Any PTE or ISP who fails to comply with any of the provisions of this Act, the NTC may, motu proprio or upon complaint of any interested party, in the appropriate administrative or quasi-judicial process, and in accordance with due process, shall impose the following penalties:

a. A fine of not less than Fifty thousand pesos (P50,000.00) but not more than Two hundred thousand pesos (P200,000.00) for each count of violation; and

b. For repeated violations, aside from fine, revocation or cancellation of the license, registration or franchise of the PTEs or ISPs, whichever applies, including the waiving of any pre-termination fees of affected subscribers and timely disbursement of any remaining credits from excessive downtime.

SEC. 8. *Implementing Rules and Regulations.* – Within sixty (60) days after the effectivity of this Act, the NTC shall, in coordination with the Department of Information and Communications Technology, and other concerned agencies, promulgate the rules and regulations necessary to ensure the effective implementation of this Act.

SEC. 9. *Separability Clause.* – If any portion or provision of this Act is declared invalid or unconstitutional, other provisions hereof shall remain in full force and effect.

SEC. 10. *Repealing Clause.* – All laws, presidential decrees, executive orders, rules and regulations which are inconsistent with the provisions of this Act are hereby repealed or amended accordingly.

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

Approved,