

Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City

TWENTIETH CONGRESS
Second Regular Session



HOUSE BILL No. 10379

Introduced by REP. RAMIL L. HERNANDEZ

AN ACT
MANDATING THE GRANT OF STUDENT DISCOUNT PRIVILEGE FOR
TELECOMMUNICATIONS SERVICES AND FOR OTHER PURPOSES

EXPLANATORY NOTE

Education is a potent tool for individual empowerment and national development; a principle strongly protected under the Philippine Constitution. In the modern era, however, education has become deeply intertwined with digital technology. Access to the internet, mobile data, and communication services is no longer a luxury for students; it is an absolute necessity for research, online learning, and academic collaboration.

While digital tools have enhanced the learning experience, the recurring cost of mobile connectivity presents a significant financial barrier for many Filipino families. Students from marginalized sectors often struggle to keep up with the expenses required to stay online, resulting in an unequal playing field in educational attainment.

This bill, otherwise known as the "**Student Load Discount Act**," seeks to bridge this digital divide by mandating a year-round **20% discount on telecommunications services** for eligible students across the country.

To ensure the program is effective, equitable, and sustainable, the proposed measure outlines the following key frameworks:

- **Broad Educational Coverage:** The 20% privilege applies to prepaid and postpaid mobile text, call, and data plans for Filipino students currently enrolled in elementary, secondary, technical-vocational, or higher education institutions.
- **Structured Safeguards and Limitations:** To prevent abuse, the discount is strictly for personal educational use, features a prohibition on double discounts, and establishes maximum time limits aligned with standard program durations (e.g., up to 12 years for basic education and 4 years for higher education).

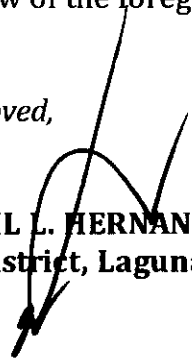
- **Private Sector Incentives:** Recognizing the vital participation of telecommunications companies (TELCOs), the bill allows providers to claim the cost of the student discounts as tax deductions.
- **Robust Accountability:** The National Telecommunications Commission (NTC) and the Department of Information and Communications Technology (DICT) are tasked to monitor compliance, with penal provisions for non-compliant entities and individuals using fraudulent documentation.

By making connectivity more affordable, we reduce the financial burden on households and empower our youth to maximize digital resources for their academic advancement.

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

Approved,

RAMIL L. HERNANDEZ
2nd District, Laguna



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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 “**Student Load Discount Act**”.

Section 2. Declaration of Policy. – It is the policy of the State to give priority to education, as enshrined in the Constitution, to promote individual, family, and national development. To this end, the State shall assist the student, whenever possible, to overcome barriers to access, financial in particular, in the use of digital tools to enhance the learning experience and enlist the participation of the private sector in achieving this aim.

Section 3. Definition of Terms. – For the purposes of this Act, the following terms shall be defined as follows:

- a) *Student* is defined as any Filipino citizen currently enrolled in a duly authorized elementary, secondary, technical-vocational, or higher education institution, with the exception of those enrolled in post-graduate degree courses.
- b) *Telecommunications Companies* (TELCOs) are defined as companies providing mobile, text, call, and internet services in the Philippines.
- c) *Student Load Discount* is defined as a 20% discount on prepaid and postpaid mobile text, call, and internet services availed by eligible students.

Section 4. Coverage. – This Act shall cover both prepaid and postpaid mobile text, call, and data plans.

Section 5. *Student Load Discount Privilege.* – A student shall be entitled to a year-round 20% discount on charges for mobile text, call, and internet services, including holidays and school breaks, subject to the following conditions:

- a) The account is used personally and exclusively by the student;
- b) Presentation of a valid proof of current enrollment; and
- c) The discount shall only apply to personal educational use and may not be transferred.

Section 6. *Prohibition on Double Discounts.* – Students cannot avail of multiple discounts at the same time. In the case where a student is eligible for a discount promotion from the TELCO, the promotion providing a higher discount shall apply.

Section 7. *Limitations on Discounts.* – The following limitations shall apply when availing of the discount:

- a) A student may only enroll one account to avail of the discount;
- b) The total value discounted for any particular student cannot exceed more than One Thousand Pesos (₱1,000.00). This amount shall be reviewed every two years by the National Telecommunications Commission, with inputs from relevant government agencies, and may be modified without need for amendment of the law, to consider the purchasing power of the peso;
- c) A student enrolled in a basic educational institution accredited by the Department of Education (DepEd) may avail of the discount only from Grades 1-12 and may not benefit from the discount for longer than 12 years;
- d) A student enrolled in a higher educational institution duly accredited by the Commission on High Education (CHED), may not avail of the discount for a total of more than four (4) years or actual length of enrollment, whichever is shorter;
- e) A student enrolled in a technical-vocational institution duly accredited by the Technical Education and Skills Development Authority (TESDA) may not avail of the discount for longer than six months or actual length of enrollment, whichever is shorter; and
- f) A student who shifts, transfers, fails, enrolls in another course, or otherwise extends his or her education shall not have the discount privileges extended.

Section 8. *Tax Deduction for TELCOs.* – TELCOs may claim tax deductions equivalent to the cost of the discount granted, subject to the rules to be promulgated by the Bureau of Internal Revenue (BIR).

Section 9. *Implementation and Monitoring.* – The National Telecommunications Commission (NTC) and the Department of Information and Communications Technology (DICT) shall oversee the implementation of this Act.

Section 10. *Penalties.* – The following penalties shall be imposed for violation of this Act:

- a) TELCOs and their resellers that refuse to grant the discount shall be fined Fifty Thousand Pesos (₱50,000.00) for the first offense, One Hundred Thousand

Pesos (₱100,000.00) for the second offense, and Two Hundred Thousand Pesos (₱200,000.00) for the third and subsequent offenses;

- b) Individuals found using fraudulent documents to avail of the discount shall be permanently disqualified from the privilege and subject to prosecution under appropriate criminal charges.

Section 11. *Implementing Rules and Regulations.* – The NTC, DICT, the Department of Education (DepEd), the Commission on Higher Education (CHED), and the Technical Skills Development Authority (TESDA) shall promulgate the rules and regulations for the proper implementation of this Act within ninety (90) days from its effectivity.

Section 12. *Separability Clause.* – If any provision of this Act shall be deemed unconstitutional or invalid, the other provisions not affected there shall remain in force and effect.

Section 13. *Repealing Clause.* – All Acts, Presidential Decrees, Executive Orders, Administrative Orders, Rules and Regulations and other such issuances or parts thereof which are inconsistent with the provisions of this Act are hereby repealed or modified accordingly.

Section 14. *Effectivity.* – This Act shall take effect fifteen (15) days after its publication in the Official Gazette or in at least two (2) newspapers of general circulation.

Approved,