

Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City

TWENTIETH CONGRESS
Second Regular Session



HOUSE BILL No. 11306

Introduced by REP. RAMIL L. HERNANDEZ

**AN ACT AMENDING REPUBLIC ACT NO. 7925, OTHERWISE KNOWN AS THE
“PUBLIC TELECOMMUNICATIONS POLICY ACT OF THE PHILIPPINES”, BY
REQUIRING PUBLIC TELECOMMUNICATIONS ENTITIES AND INTERNET SERVICE
PROVIDERS TO INSTITUTE A REFUND MECHANISM FOR SERVICE OUTAGES AND
DISRUPTIONS**

EXPLANATORY NOTE

Reliable internet and telecommunications are vital to daily commerce, education, and public communication. However, subscribers frequently face prolonged service interruptions without receiving compensation or bill adjustments. This bill amends Republic Act No. 7925 to protect consumers by mandating automatic billing adjustments and refunds for significant network downtime.

Key Provisions include automatic pro-rated refunds, enforcement and penalties, and revocation and consumer relief.

To ensure fair business practices, hold telecom providers accountable, and safeguard consumer rights, 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 “**Refund for Internet and Telecommunications Service Outages and Disruptions Act**”.

Section 2. A new subsection under Section 3 of Republic Act No. 7925, otherwise known as the “Public Telecommunications Policy Act of the Philippines” to read as follows:

(A) XXX

(B) XXX

[...]

(L) INTERNET SERVICE OUTAGE IS THE COMPLETE OR PARTIAL FAILURE OF INTERNET SERVICES

(M) FORTUITOUS EVENT MAY EITHER BE AN “ACT OF GOD,” OR NATURAL OCCURENCES SUCH AS FLOODS OR TYPHOONS, STORMS, EARTHQUAKES, OR OTHER CATAclysmic EVENTS; OR AN “ACT OF MAN”, SUCH AS RIOTS, STRIKES, WARS, GOVERNMENTAL PROHIBITIONS, ROBBERY, ETC.

Section 3. A new Section 20-A is hereby added to Republic Act No. 7925, otherwise known as the “Public Telecommunications Policy Act of the Philippines”, to read as follows:

**"SEC. 20-A. REFUNDS FOR INTERNET AND TELECOMMUNICATIONS
SERVICE OUTAGES AND INTERRUPTIONS. – (A) PUBLIC
TELECOMMUNICATIONS ENTITIES, INCLUDING INTERNET SERVICE**

PROVIDERS (ISPS), SHALL, ON A PRO-RATED BASIS, PROVIDE A REFUND CREDIT TO A CUSTOMER, OR ADJUST A CUSTOMER'S BILL, WHO HAS EXPERIENCED A SERVICE OUTAGE OR DISRUPTION FOR AN AGGREGATE PERIOD OF TWENTY-FOUR (24) HOURS OR MORE – WITHIN A MONTH.

THE ISPS AND PUBLIC TELECOMMUNICATIONS ENTITIES CONCERNED SHALL NOT REQUIRE THE CUSTOMER TO TAKE ANY ACTION IN ORDER TO RECEIVE A REFUND CREDIT OR BILL ADJUSTMENT UNDER THIS SECTION;

(B) THE REFUND CREDIT GRANTED UNDER THE CIRCUMSTANCES MENTIONED ABOVE SHALL LIKEWISE BE GRANTED TO CUSTOMERS SUBSCRIBING TO SERVICE ON A PRE-PAID BASIS

(C) THE NATIONAL TELECOMMUNICATIONS MAY, MOTU PROPIO OR UPON COMPLAINT OF ANY INTERESTED PARTY, IN THE APPROPRIATE ADMINISTRATIVE AND/OR QUASI-JUDICIAL PROCESS, IN ACCORDANCE WITH DUE PROCESS, SHALL:

(1) IMPOSE FINE OF NOT LESS THAN TWO HUNDRED THOUSAND PESOS (PHP200,000.00) BUT NOT MORE THAN TWO MILLION PESOS (PHP2,000,000.00) FOR EACH VIOLATION. PROVIDED, THAT IF THE SERVICE PROVIDER HAS A GROSS ANNUAL INCOME NOT EXCEEDING TEN MILLION PESOS (PHP 10,000,000.00), THE PENALTY SHALL BE EQUIVALENT TO ONE PERCENT (1%) TO TWO PERCENT (2%) OF ITS GROSS ANNUAL INCOME; AND

(2) FOR REPEATED VIOLATIONS, REVOKE THE PTES PROVISIONAL AUTHORITY OR CERTIFICATE PUBLIC CONVENIENCE AND NECESSITY, OR CANCEL THE REGISTRATION OF AN ISP, WHICHEVER APPLIES, INCLUDING THE WAVING OF ANY PRE-TERMINATION FEES OF AFFECTED SUBSCRIBERS AND TIMELY DISBURSEMENT OF ANY REMAINING CREDITS FROM EXCESSIVE DOWNTIME."

Section 4. *Separability Clause.* – If any portion or provision of the Act is declared void or unconstitutional, the remaining portions or provisions hereof shall not be affected by such declaration.

Section 5. *Repealing Clause.* – Any provision of law or regulations inconsistent herewith is hereby repealed, modified or amended accordingly.

Section 6. *Effectivity.* – This Act shall take effect fifteen (15) days after its publication in two (2) newspapers of general circulation.

Approved,