

NINETEENTH CONGRESS OF THE)
REPUBLIC OF THE PHILIPPINES)
First Regular Session)



'22 NOV 23 P 6 :18

SENATE

S. No. 1539

RECEIVED BY:

Introduced by SENATOR RAMON BONG REVILLA, JR.

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

Article II Section 24 of the Philippine Constitution states that, "The State recognizes the vital role of communication and information in nation-building." In line with this, Republic Act No. 7925, or the "*Public Telecommunications Policy Act of the Philippines*", was enacted into law in 1995 to ensure a "viable, efficient, reliable and universal telecommunication infrastructure."

The various industries and sectors in the country, as in the rest of the world, operate and function with the aid of telecommunications, which was further enhanced with the use of the internet. With this, processes, systems and procedures are made faster, easier, more efficient, and interconnected.

The importance of reliable connectivity through internet and telecommunication networks cannot be emphasized more during these times that we are experiencing COVID-19 pandemic. Limitations on physical contact to prevent the spread of the virus drove us to rely more on the internet and various telecommunication channels in our work and in education.

However, years after the passage of Republic Act No. 7925, our countrymen are still grappling for stable, fast and reliable and affordable connection. As of March 2021, Speedtest Global Index ranked the Philippines as 86th out of 140 countries and

81st out 177 countries in mobile and fixed broadband speed, respectively. This was confirmed by the Philippines Digital Economy Report published in September 2020 by The World Bank, "A Better Normal Under COVID-19: Digitalizing the Philippine Economy Now", which stated that our country lags most regional peers in high-speed fixed and mobile broadband penetration. Moreover, the study reveals that connecting to the internet in our country is expensive compared to our neighboring countries.

While the government is addressing these perennial challenges with the cooperation of industry stakeholders, users have to bear with the low quality and high cost of internet and communication connection that is available. Alongside this is the service interruptions, which are either scheduled or not, brought about by system upgrade, maintenance work, infrastructure repairs, and others. The duration of such varies from hours to days. Similarly, its affected areas range from a single block to a number of cities. Because of these, the businesses, work and classes are likewise interrupted while the consumers continue to pay for their subscription despite unavailability of connection.

Such interruptions are beyond the control of the consumers and undeniably adversely affect their productivity and daily lives. It is, therefore, proper to return to them the payment they have made for the day or days they were not able to access the services of their provider.

This measure proposes to amend Republic Act No. 7925 to require internet service providers and public telecommunications entities to provide pro-rated refund or bill adjustment for both their prepaid and postpaid subscribers who were affected by service outages and interruptions.

In this light, the immediate passage of this bill is highly recommended.



RAMON BONG REVILLA, JR.

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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 "*Refund for Internet*
2 *and Telecommunications Service Outages and Disruptions Act*".

3 Sec. 2. A new Section 20-A is hereby added to Republic Act No. 7925, otherwise
4 known as the "*Public Telecommunications Policy Act of the Philippines*", to read as
5 follows:

6 "SEC. 20-1. REFUNDS FOR INTERNET AND
7 TELECOMMUNICATIONS SERVICE OUTAGES AND
8 INTERRUPTIONS. – (A) PUBLIC
9 TELECOMMUNICATIONS ENTITIES, INCLUDING
10 INTERNET SERVICE PROVIDERS (ISPS), SHALL, ON A
11 PRORATED BASIS, PROVIDE A REFUND CREDIT TO A
12 CUSTOMER, OR ADJUST A CUSTOMER'S BILL, WHO
13 HAS EXPERIENCED A SERVICE OUTAGE OR
14 DISRUPTION FOR AN AGGREGATE PERIOD OF
15 TWENTY-FOUR (24) HOURS OR MORE – WITHIN A
16 MONTH. THE ISPS AND PUBLIC
17 TELECOMMUNICATIONS ENTITIES CONCERNED

1 **SHALL NOT REQUIRE THE CUSTOMER TO TAKE ANY**
2 **ACTION IN ORDER TO RECEIVE A REFUND CREDIT OR**
3 **BILL ADJUSTMENT UNDER THIS SECTION; (B) THE**
4 **REFUND CREDIT GRANTED UNDER THE**
5 **CIRCUMSTANCES MENTIONED ABOVE SHALL**
6 **LIKewise BE GRANTED TO CUSTOMERS**
7 **SUBSCRIBING TO A SERVICE ON A PREPAID BASIS.”**

8 *Sec. 3. Separability Clause.* – If any provision or part hereof is held invalid or
9 unconstitutional, the remainder of the law or the provision or part not otherwise
10 affected shall remain in full force and effect.

11 *Sec. 4. Repealing Clause.* – All laws, decrees, orders, rules and regulations or
12 parts thereof contrary to, or inconsistent with, this Act are hereby repealed or
13 amended accordingly.

14 *Sec. 5. Effectivity.* – This Act shall take effect fifteen (15) days after its
15 publication either in the *Official Gazette* or in two (2) newspapers of general circulation
16 in the Philippines.

Approved,