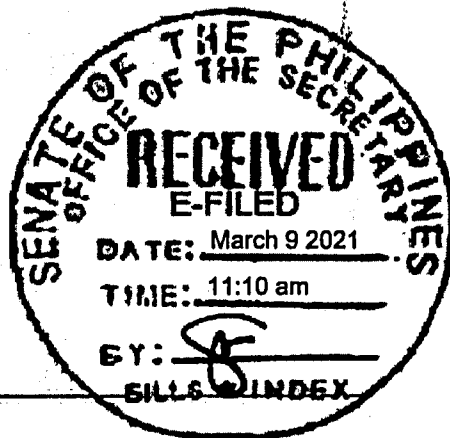


EIGHTEENTH CONGRESS OF THE)
REPUBLIC OF THE PHILIPPINES)
Second Regular Session)

SENATE
S. No. 2092



Introduced by Senator Manuel "Lito" M. Lapid

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

For an internet-dependent, data-driven world where almost all aspects of our daily life rely on being "online" and "connected", service outages, disruptions and interruptions cause discomfort, lost opportunities, or worse, lost profits and income. To illustrate, disconnection in the middle of an online class may spell missing a test or quiz for our students. Snail-paced internet speeds lead to reduced, or even halted production and operations for ICT-based businesses and industries. Business and commercial transactions that depend on digital finance and banking services will stand still if the transacting parties or the service providers themselves are forced off-line because of downtimes.

Our country is no stranger to these outages and similar circumstances. Last September 2020, major telecommunications companies warned about slow internet speed for a five-day period due to maintenance activities on an undersea cable.¹ Nationwide outages had even disrupted Senate committee hearings.² In fact, data from a website monitoring real-time status and outage information revealed that for a single day, reports of outages for certain Philippine Internet service providers (ISPs)

¹ <https://business.inquirer.net/308289/slower-internet-seen-due-to-5-day-maintenance-works>


² <https://business.inquirer.net/315291/converge-adds-backup-to-ensure-less-tripping-of-internet-service>

peaked to as high as fifty (50) outages.^{3 4} Aside from internet connection, disruptions in phone signal and cellular networks are also common. There are even places where basic phone call/text signal is still non-existent.

Despite the frequency of these service outages and disruptions, consumers foot the bill for their monthly or pre-paid Internet subscriptions without adjustments or refunds for such occurrences – they are paying for a service that they have not enjoyed or used for hours, if not, even days through no fault on their part. This bill, by virtue of an amendment to R.A. No. 7925 or the “Public Telecommunications Policy Act of the Philippines”, seeks to put an end to this by requiring Internet Service Providers (ISPs) and Public Telecommunications Entities to provide, on a pro-rated basis, 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 refund or bill adjustment mandated under this proposed measure shall likewise be granted to customers subscribing to a service on a pre-paid basis. The refund credit or bill adjustment shall be automatically implemented without need of any action or request on the part of the affected customer.

The principle behind this measure is quite simple – that there is no unjust enrichment on the part of big businesses to the prejudice of consumers. Not even a single centavo shall be paid out of the pockets of our people for a service that they did not use due to an outage or disruption.

In view of this, early passage of this bill is sought.


MANUEL "LITO" M. LAPID
Senator

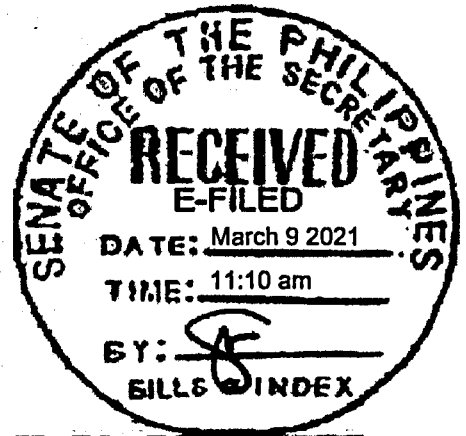
³ <https://downdetector.ph/status/converge/news/369631-problems-at-converge/>

⁴ <https://downdetector.ph/status/pldt/news/369502-problems-at-pldt/>

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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

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

1 **Section 1. Short Title.** – This Act shall be known as "Refund for Internet and
2 Telecommunications Service Outages and Disruptions Act."

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

7
8 **SECTION 20-A. REFUNDS FOR INTERNET AND**
9 **TELECOMMUNICATIONS SERVICE OUTAGES AND**
10 **INTERRUPTIONS. – (A) PUBLIC**
11 **TELECOMMUNICATIONS ENTITIES, INCLUDING**
12 **INTERNET SERVICE PROVIDERS (ISPS), SHALL, ON A**

1 PRO-RATED BASIS, PROVIDE A REFUND CREDIT TO A
2 CUSTOMER, OR ADJUST A CUSTOMER'S BILL, WHO
3 HAS EXPERIENCED A SERVICE OUTAGE OR
4 DISRUPTION FOR AN AGGREGATE PERIOD OF
5 TWENTY-FOUR (24) HOURS OR MORE WITHIN A
6 MONTH. THE ISPS AND PUBLIC
7 TELECOMMUNICATIONS ENTITIES CONCERNED SHALL
8 NOT REQUIRE THE CUSTOMER TO TAKE ANY ACTION
9 IN ORDER TO RECEIVE A REFUND CREDIT OR BILL
10 ADJUSTMENT UNDER THIS SECTION.

11
12 (B) THE REFUND CREDIT GRANTED UNDER THE
13 CIRCUMSTANCES MENTIONED ABOVE SHALL
14 LIKEWISE BE GRANTED TO CUSTOMERS SUBSCRIBING
15 TO A SERVICE ON A PRE-PAID BASIS.

16
17 **Section 3. Repealing Clause.** — All laws, presidential decrees, executive
18 orders, proclamations, rules and regulations, or any part thereof, which are
19 inconsistent with the provisions of this Act are hereby repealed or modified
20 accordingly.

21
22 **Section 4. Separability Clause.** — If any provision or part of this Act, or the
23 application thereof to any person or circumstance, is held unconstitutional or invalid,
24 the remainder of this Act shall not be affected thereby.

25
26 **Section 5. Effectivity Clause.** — This Act shall take effect fifteen (15) days
27 from its publication in the Official Gazette or in at least two (2) newspapers of general
28 circulation.

29
30 *Approved,*