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SENATE

S. No. 445



Introduced by SENATOR RAMON BONG REVILLA, JR.

**AN ACT
PROTECTING CONSUMERS FROM UNREASONABLE FEE INCREASES BY
PROVIDING FOR A CONSUMER GROUP REPRESENTATION IN THE
GOVERNING BOARDS OF GOVERNMENT REGULATORY BODIES,
AMENDING FOR THE PURPOSE THEIR RESPECTIVE CHARTERS, AND FOR
OTHER PURPOSES**

EXPLANATORY NOTE

Prices of basic services have steadily been on the rise. The public remains helpless in the face of these rising costs basically because there is not enough representation of their issues and concerns on government regulatory bodies that approves various increases in prices.

It is the public who are the end users of various services and yet they are the ones who do not have representation in policy and decision making regarding these services. This proposal seeks to address this malady by providing for consumer group representation in various government regulatory bodies. Among these boards are:

1. Land Transportation and Franchising Regulatory Board
2. Toll Regulatory Board
3. Energy Regulatory Commission
4. Manila Waterworks and Sewerage System
5. Local water utilities Administration, and

6. National Telecommunications Commission.

Once enacted, this law will give way to better consumer protection through the diligent consideration of their concerns in the decision making of the stated boards. Moreover, they will have a say especially in the issue of price increases that these boards are considering and approving.

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


RAMON BONG REVILLA, JR.

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PURPOSES

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

1 Section 1. *Title.* - This Act shall be known as the "Consumer Group
2 Representation in Regulatory Bodies Act".

3 Sec. 2. *Declaration of Policy.* - Pursuant to the constitutional mandate that the
4 right of the people and their organizations to effective and reasonable participation at
5 all levels of social, political, and economic decision-making shall not be abridged, and
6 the State shall, by law, facilitate the establishment of adequate consultation
7 mechanisms, the State shall:

8 a) Prevent the concentration of power and information in a few
9 persons/government organizations;

10 b) Adopt and implement a policy of full public disclosure of all is
11 transactions involving public interest thereby promoting transparency
12 and accountability; and

13 c) Ensure the protection and advancement of consumer welfare by
14 mandating the inclusion of consumer group representatives in the
15 Governing Boards of government regulatory bodies.

1
2 Sec. 3. *Consumer Group.* – for purposes of this Act, a consumer group shall
3 refer to a representative organization, registered under the Securities and Exchange
4 Commission (SEC), which has been established and organized to cater to a national
5 constituency, and whose mandate includes the protection of the interests and rights
6 of consumers in a specific sector that is being regulated by a government regulatory
7 body.

8 Sec. 4. *Coverage.* – The Governing Boards of the following government
9 regulatory bodies shall include at least one (1) member who shall represent the
10 consumer group belonging to the sector being regulated by the government regulatory
11 body concerned:

- 12 a) Land Transportation and Franchising Regulatory Board, created by
13 Executive Order No. 292;
14 b) Toll Regulatory Board, created by Presidential Decree No. 1112;
15 c) Energy Regulatory Commission, created by Republic Act NO. 9136;
16 d) Manila Waterworks and Sewerage System, created by Executive Order
17 No. 1036;
18 e) Local Water Utilities Administration, created by Presidential Decree No.
19 198 as amended; and
20 f) National Telecommunications Commission, created by Executive Order
21 No. 546;

22 Such member of the respective governing boards of the aforementioned
23 government regulatory bodies shall be called the Consumer Group Representative.

24 The Consumer Group Representative shall perform the same functions, shall
25 have the same voting rights, shall be paid the same salaries, remunerations and
26 emoluments, and enjoy the same privileges as those enjoyed by the other members
27 of the Governing Board of the government regulatory authority concerned.

28 Sec. 5. *Qualifications of Consumer Group Representative.* – No person shall be
29 appointed as a Consumer Group Representative unless he is a natural born citizen of
30 the Philippines, at least thirty (30) years of age, able to read and write, a bona fide
31 member of the Consumer Group which he seeks to represent for at least two (2) years

1 prior to his appointment, and has never been convicted of any administrative, civil or
2 criminal offense involving moral turpitude.

3 The Consumer Group Representative should also have at least five (5) years of
4 known advocacy in the consumer sector he represents.

5 If, at any time during his appointment, the Consumer Group Representative
6 ceases to be a bona fide member of his respective consumer group through expulsion,
7 resignation, or any manner of removal sanctioned by its organizational by-laws, the
8 position of Consumer Group Representative shall automatically be declared vacant and
9 shall be filled up accordingly by initiating the appointment process as herein provided.

10 Sec. 6. *Appointing Authority.* - The President of the Republic of the Philippines
11 shall choose from a list submitted by the affected sector of the concerned Board.

12 Sec. 7. *Implementing Rules and Regulations.* - The Department of Budget and
13 Management (DBM) and the government regulatory agencies as enumerated under
14 Section 4 of this Act shall formulate and issue the necessary implementing rules and
15 regulations for the effective implementation of this Act within sixty (60) days after the
16 effectivity of this Act. .

17 Sec. 8. *Separability Clause.* - If any provision or part hereof, is held invalid or
18 unconstitutional, the remainder of the law or the provision not otherwise affected shall
19 remain valid and subsisting.

20 Sec. 9. *Repealing Clause.* - Any law, presidential decree or issuance, executive
21 order, letter of instruction, administrative order, rule or regulation contrary to, or
22 inconsistent with the provisions of this Act is hereby repealed, modified or amended
23 accordingly.

24 Sec. 10. *Effectivity Clause.* - This Act shall take effect fifteen (15) days after its
25 publication in at least two (2) newspapers of general circulation.

26
27 Approved,