

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



Senate

Office of the Secretary

SENATE
S. No. 1473

20 MAY -4 P 1:37

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Introduced by Senator Francis "Tol" N. Tolentino

AN ACT
INSTITUTIONALIZING AN INSTALLMENT PAYMENT SCHEME ON BASIC
UTILITY BILLS DURING CALAMITIES, AND FOR OTHER PURPOSES, TO BE
KNOWN AS THE "THREE-GIVES LAW"

EXPLANATORY NOTE

Section 10, Article III of the 1987 Constitution provides that no law impairing the obligation of contracts shall be passed. However, in the case of *Abe v. Foster Wheeler Corporation*, L-14785, November 29, 1960, the Supreme Court said that "the constitutional guaranty of non-impairment . . . is limited by the exercise of the police power of the State, in the interest of public health, safety, morals and general welfare."

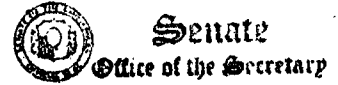
It is the intent of this measure to uphold the general welfare of the people and to assist their economic well-being immediately after the occurrence of natural or man-made calamities or health epidemics.

This measure seeks to provide a moratorium on all electric, water and telephone bills during the entire duration of a state of calamity. This measure also provides for an installment scheme on all amounts which fell due during the moratorium period in order to promote social justice and insure the economic security of the people.

In the light of the foregoing, the passage of this bill earnestly sought.

FRANCIS "TOL" N. TOLENTINO

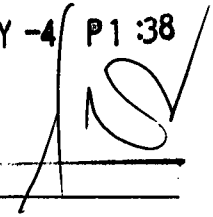
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Be it enacted by the Senate and House of Representatives of the Philippines in Congress assembled:

- 1 Sec. 1. Title. - This Act shall be known as the "Three-Gives Law".
- 2 Sec. 2. Declaration of Policy. - It is hereby declared the policy of the State to
- 3 promote the general welfare, public safety, health and economic security of the
- 4 Filipino people in times of calamity, natural or man-made.
- 5 Sec. 3. Coverage. - The law shall cover all residential electric, water and
- 6 telephone bills, and shall apply when a state of calamity is declared.
- 7 Sec. 4. Moratorium. - There shall be a moratorium on all residential utility bills
- 8 during the entire duration of a state of calamity. Holders of public utility franchises
- 9 and all service providers are prohibited from exacting payment or from disconnecting
- 10 the service due to non-payment during the entire duration of the moratorium.
- 11 Provided, That, nothing in this law shall prevent voluntary payment by customers.
- 12 Sec. 5. Installment Payment for the Deferred Liability. - Any amount due and
- 13 demandable during the moratorium period shall be payable in three (3) equal

1 monthly installments, without interest, which shall accrue a month after the
2 cessation of a state of calamity.

3 Sec. 6. Penalty. - Public utility franchise holders and service providers found in
4 violation of this law shall be punishable with a fine of not more than One Million
5 Pesos (P1,000,000.00) per infraction.

6 Sec. 7. Implementation. - This law shall be implemented by the public utility
7 regulatory agencies concerned, such as the Metropolitan Waterworks and Sewerage
8 System, Local Water Utilities Administration, National Telecommunications
9 Commission, Energy Regulatory Commission and the National Electrification
10 Administration.

11 Sec. 8. Repealing Clause. - All laws, decrees, executive orders, proclamations,
12 rules and regulations, and issuances, or parts thereof which are inconsistent with the
13 provisions of this Act are hereby amended or modified accordingly.

14 Sec. 9. Separability Clause. - If for any reason, any provision of this Act is
15 declared invalid or unconstitutional, the remaining provisions not affected thereby
16 shall continue to be in full force and effect.

17 Sec. 10. Effectivity Clause. - This act shall take effect fifteen (15) days after
18 its complete publication in at least two (2) national newspapers of general
19 circulation.

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22 Approved,

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