

REPUBLIC OF THE PHILIPPINES  
HOUSE OF REPRESENTATIVES  
Quezon City

SEVENTEENTH CONGRESS  
First Regular Session

HOUSE BILL NO. **3996**



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Introduced by Representatives Enrico A. Pineda and Michael Odyon L. Romero, Ph.D.

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**AN ACT**  
**AMENDING SECTION 21 OF COMMONWEALTH ACT NO. 146**  
**OTHERWISE KNOWN AS THE PUBLIC SERVICE ACT**

**EXPLANATORY NOTE**

Part of the blame concerning the dismal state of internet and telecommunications services in the country is set on the old penalty provision on a law which was enacted over seventy years ago which provides that erring public utility service providers may only be penalized to a maximum of two hundred pesos. In that regard, according to the National Telecommunications Commission (NTC), penalties that may be dealt to the big telecommunications firm which fail to meet the standards it has set may only be penalized two hundred pesos per day of its failure to meet such standards. This is too measly compared to the billions it rakes in as profits from operation and more importantly, to the inconvenience they caused to the subscribers for the below standard service they provide to the public.

Though the undersigned believes that the proposal to increase the amount of penalties provided in the Public Service Act to two million pesos may still be just a small sting to the rather big billion peso entities like the existing telecommunication giants, this should be a welcome step towards a direction of calling these public utilities to shape up and provide the public better services that they so rightfully deserve. More efforts should be forthcoming as we endeavor to improve internet and telecommunications services in the country which has since lagged behind our other Southeast Asian neighbors.

Early passage of this bill is earnestly sought.

A handwritten signature in black ink, appearing to be "Enrico A. Pineda".

ENRICO A. PINEDA

A long, sweeping handwritten signature in black ink, appearing to be "Michael Odyon L. Romero".

MICHAEL ODYON L. ROMERO, PH.D.

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

**AN ACT**  
**AMENDING SECTION 21 OF COMMONWEALTH ACT NO. 146**  
**OTHERWISE KNOWN AS THE PUBLIC SERVICE ACT**

Section 1. Section 21 of Commonwealth Act No. 146 otherwise known as the Public Service Act is hereby amended to read as follows:

**"Section 21.** Every public service violating or failing to comply with the terms and conditions of any certificate or any orders, decisions or regulations of the Commission shall be subject to a fine of not exceeding [two hundred pesos] **TWO MILLION PESOS** per day for every day during which such default or violation continues; and the Commission is hereby authorized and empowered to impose such fine, after due notice and hearing.

The fines so imposed shall be paid to the Government of the Philippines through the Commission, and failure to pay the fine in any case within the same specified in the order or decision of the Commission shall be deemed good and sufficient reason for the suspension of the certificate of said public service until payment shall be made. Payment may also be enforced by appropriate action brought in a court of competent jurisdiction. The remedy provided in this section shall not be a bar to, or affect any other remedy provided in this Act but shall be cumulative and additional to such remedy or remedies."

Section 2. Repealing Clause - All laws, decrees, executive orders, administrative orders or parts thereof inconsistent with the provisions of this Act are hereby repealed, amended or modified accordingly.

Section 3. Separability Clause - If any provision of this Act is held invalid or unconstitutional, other provisions not affected thereby shall continue to be in full force and effect.

Section 4. Effectivity Clause - This Act shall take effect fifteen (15) days following its complete publication in the Official Gazette or in at least two (2) newspaper of general circulation.

Approved,