

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



HOUSE OF REPRESENTATIVES

House Bill No. 1066

Introduced by Representative Victor A. Yap

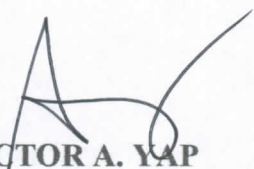
EXPLANATORY NOTE

The use of cellular phones has drastically increased in the country since its inception in the late 90s, when they were first considered as a status symbol. Today, mobile phones have become an essential part of almost every Filipino household.

However, with the growth of wireless telephone network, it is inevitable that issues and problems come along with it. Among the common complaints of consumers include poor service quality, billing errors, service interruption and maintenance issues, and lack of effective procedures to address consumer complaints. Hence, there is a need for a law to be set in place to protect the rights of subscribers.

This bill seeks to establish standards that shall ensure stability and efficiency in wireless telephone services. Under the proposed measure, telcos will be required to publish information on charges and service coverage. The National Telecommunication Commission shall adopt rules and regulations to allow subscribers to file complaints with regard to billing disputes.

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


VICTOR A. YAP
Representative, 2nd District of Tarlac

HOUSE OF REPRESENTATIVES

House Bill No. 1066

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AN ACT
PROTECTING CONSUMERS OF WIRELESS TELEPHONE SERVICES

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

SECTION 1. *Title.* – This Act shall be known as the “Wireless Telephone Consumer Protection Act”.

SECTION 2. *Definitions.* - For purposes of this Act, the following terms shall:

- (a) **Commission** – means the National Telecommunications Commission (NTC);
- (b) **Internet** – means the shared global computing network. A network based on standards including Internet Protocol (IP), Simple Mail Transfer Protocol (SMTP) and the Domain Name System (DNS), which enables global communications between all connected computing devices. It provides the platform for web services and the World Wide Web;
- (c) **Wireless telephone service** – means commercial mobile radio service;
- (d) **Wireless telephone service provide or provider** – means any entity that provides wireless telephone service in the country; and
- (e) **Wireless telephone number information-** means the telephone number, electronic address and any other identifying information by which a calling party may reach a subscriber to commercial mobile services, and which is assigned by a wireless telephone service provider to such subscriber.

SECTION 3. *Information Requirement.* – Within one-hundred eighty (180) days following the effectivity of this Act, the Commission shall adopt rules and regulations requiring that any publication, including publication on the internet, of a wireless telephone

1 service provider concerning the terms of its plans or contracts for wireless telephone service
2 shall set forth, in a plain and conspicuous manner, the following information:

- 3
- 4 (1) Information on charges, including the originating location of the call, monthly
5 base charge, per-minute charges, for minutes not included in the plan, and the
6 method of calculating minutes charged;
- 7 (2) Information of the minutes included in the plan, including allowable minutes
8 during the daytime on weekdays, allowable minutes during nights and weekends,
9 or any other differing charges for long-distance, roaming and directory assistance;
- 10 (3) Information on plan contract terms, including length of contract, early or other
11 termination fees, trial periods, and start-up fees;
- 12 (4) Information on taxes to be collected by the provider for, and paid to the national,
13 local or other governmental agency;
- 14 (5) Information on surcharges imposed by the provider for the costs of compliance
15 with regulations for other purposes; and
- 16 (6) Any other information the Commission considers appropriate to ensure the
17 consumers of wireless telephone service are fully informed of the terms of the
18 plan or contract.
- 19

20 The wireless telephone service providers shall provide the information required by
21 this section to a consumer prior to entering into any contract with a consumer for wireless
22 telephone service.

23

24 **SECTION 4. *Information on Service Coverage.*** – Each wireless telephone service
25 provider shall make available maps showing the wireless telephone service of area of such
26 provider and the wireless telephone service area of such provider within the country. Such
27 maps shall contain the maximum predictable level of granularity and shall be updated
28 quarterly.

29

30 Each map of a service area shall be provided to a consumer:

- 31 (1) Upon the request of the Consumer; and
32 (2) Whenever a plan or contract for the service is entered into.

33 Each map of a service area shall be available:

- 34 (1) On the Internet website of the provider concerned; and
35 (2) On the Internet website of the Commission.
- 36

37 **SECTION 5. *Monitoring.*** – The Commission shall monitor the quality of wireless
38 telephone service providers based on the following standard:

- (1) Dropped calls;
- (2) Blocked calls;
- (3) Known coverage gaps (including average signal strength) or dead zones;
- (4) Predicted street level signal strength; and
- (5) Any other matters the Commission considers appropriate.

In monitoring the quality of wireless telephone service, the Commission shall establish a website which allows the public to submit their comments and views to the Commission on the quality of such service. The Commission shall also accept written complaints by mail.

SECTION 6. *Availability of Information.* – The Commission shall make information available to wireless telephone service providers and the public on a semi-annual basis concerning the quality of wireless telephone service of the provider.

SECTION 7. *Extension of Contract.* – An extension of a contract for wireless telephone service shall not be valid unless the extension of the contract is in writing and is signed by the subscriber, or confirmed in writing and signed by the subscriber within seven (7) days of receipt by the subscriber.

SECTION 8. *Notice of Change of Terms.* – A wireless telephone service provider shall provide subscribers with written notice of any change in rates, terms, or conditions of service at least days before the change is to take effect. If any such change will result in higher rates or more restrictions on service or otherwise will result in material, adverse change for such subscriber, the subscriber may, within such thirty (30) day period, terminate the service without penalty and receive a *pro rata* refund of the charges, if any, paid for the handset used for the service. The notice of change shall inform the subscriber of the right to terminate the contract, the right to handset refund, and the steps to take to implement such a termination.

SECTION 9. *Cancellation of Contract.* – A contract for wireless service may be, canceled upon the request of the subscriber for any reason during the first days. There shall be no penalty or other costs to the subscriber for any cancellation during these thirty (30) days, except that the subscriber shall be responsible for the cost of the service used during the time period that the contract was in effect.

SECTION 10. *Billing.* – A wireless telephone service provider shall provide bills for wireless telephone services that are clearly organized and clearly describe in plain language

1 the products and services for which charges are imposed, and that conform to format
2 standards established by the Commission.

3
4 **SECTION 11. *Taxes.*** – Taxes and fees which are required by the law, or local
5 ordinance or regulation to be collected from the subscriber shall be set forth in a separate
6 section of the bill and shall be itemized separately. This section of the bill shall only contain
7 charges that the provider is required to be recovered from the subscribers pursuant to law.

8
9 **SECTION 12. *Roaming Charges.*** – Roaming or off-network charges shall be
10 itemized on the subscriber’s bill within sixty (60) days of the call being placed, and such
11 roaming or off-network charges shall identify the date and originating location of the call.

12
13 **SECTION 13. *Request for Billing Statement.*** – Upon the request of the subscriber, a
14 wireless telephone service provider shall provide an itemized bill to the subscriber at no cost
15 to the subscriber.

16
17 **SECTION 14. *Charges on Unauthorized Use.*** – Charges associated with the use of
18 wireless telephone equipment or services shall not be the liability of the subscriber if such
19 use was unauthorized by the subscriber due to loss or theft, provided that such loss or theft is
20 promptly reported to the wireless telephone service provider.

21
22 **SECTION 15. *Rules and Regulations on Complaints.*** – The Commission shall
23 adopt rules and regulations as may be necessary to allow subscribers to file complaints with
24 the Commission with regard to billing disputes between wireless telephone service providers
25 and subscribers.

26
27 **SECTION 16. *Non-termination of service.*** – A wireless telephone service provider
28 shall refrain from terminating a subscriber’s service for nonpayment so long as the
29 subscriber’s billing complaint is pending before the Commission and for fifteen (15) days
30 thereafter, or for such period as the Commission for good cause shall establish: Provided,
31 that as a condition of continued service during the pendency of such dispute, the subscriber
32 shall pay the undisputed portions of any bill for service and any amount the Commission
33 determines as necessary to fairly compensate the wireless telephone providers for services
34 rendered while the complaint is pending and fifteen (15) days thereafter.

35
36 **SECTION 17. *Publication of Information.*** – A wireless telephone service provider,
37 or any direct or indirect affiliate or agent of a provider, providing the name and wireless
38 telephone number information of a subscriber for inclusion in any directory of any form, or

1 selling, leasing, licensing or sharing the contents of any directory database, or any portion or
2 segment thereof, shall not include the wireless telephone number information of any
3 subscriber without first obtaining the express consent of that subscriber. The provider's form
4 for obtaining the subscriber's express consent shall meet all of the following requirements:

- 5 (1) It shall be a separate document that is not attached to any other document;
- 6 (2) It shall be signed and dated by the subscriber;
- 7 (3) It shall be unambiguous and legible, and shall conspicuously disclose that, by
8 signing the form, the subscriber consents to having the subscriber's wireless
9 telephone number information sold or licensed as part of a list of subscribers and
10 having the subscriber's wireless telephone number information included in a
11 publicly available directory; and
- 12 (4) If under the subscriber's calling plan the subscriber may be billed for receiving
13 unsolicited calls or text messaging from a telemarketer, the provider's form shall
14 be unambiguous and legible, and shall conspicuously disclose that, by consenting
15 to have the subscriber's wireless telephone number information sold or licensed
16 as part of a list of subscribers or be included in a publicly available directory, the
17 subscriber may incur additional charges for receiving unsolicited calls or text
18 messages.

19
20 **SECTION 18. *Revocation of Consent.*** – A subscriber who provides express prior
21 consent pursuant to the preceding section may revoke that consent at any time. A wireless
22 telephone service provider shall comply with the subscriber's request to opt out within a
23 reasonable period of time, not to exceed sixty (60) days.

24
25 **SECTION 19. *Exceptions.*** – The provisions of Section 17 shall not apply to the
26 following parties for the purposes indicated:

- 27 (1) To a collection agency, to the extent disclosures made by the provider are
28 exclusively for the collection of the subscriber's unpaid debt to the provider;
- 29 (2) To any law enforcement agency;
- 30 (3) To a lawful process issued by the court under the law;
- 31 (4) To a telephone company providing service between service areas for the
32 provision to the subscriber of the telephone service between service areas, or
33 third parties for the limited purpose of providing billing services;
- 34 (5) To a telephone company to effectuate a subscriber's request to transfer the
35 customer's assigned telephone number from the customer's existing provider of
36 telecommunications services to a new provider of telecommunications services;
37 and

1 (6) To the Commission pursuant to its jurisdiction and control over wireless
2 telephone providers.
3

4 **SECTION 20. *Penalties.*** – Any director, officer or agent of a corporation who shall
5 authorize, order or perform any of the acts or practices constituting in whole or in part a
6 violation of Section 3, and who has knowledge or notice of noncompliance received by the
7 corporation from the Commission, shall upon conviction, be subject to a fine of not less than
8 One Hundred Thousand Pesos (P100,000) but not more than One Million Pesos
9 (P1,000,000) or imprisonment of not less than six (6) years but not more than twelve (12)
10 years, or both upon the discretion of the court.
11

12 In case the violation is committed by, or in the interest of a juridical person duly
13 licensed to engage in business in the Philippines, such license to engage in business shall be
14 immediately revoked.
15

16 **SECTION 21. *Authority of the Commission.*** – The Commission shall enforce this
17 Act in the same manner and by the same means as though all applicable terms and
18 provisions of the Public Telecommunications Policy Act of the Philippines were
19 incorporated into and made part thereof. The Commission may prescribe regulations to carry
20 out this Act.
21

22 **SECTION 22. *Separability Clause.*** – If any provision or part thereof is held invalid
23 or unconstitutional, the remainder of the law or the provision not otherwise affected shall
24 remain valid and subsisting.
25

26 **SECTION 23. *Repealing Clause.*** - All laws, presidential decrees or issuance,
27 executive order, letter of instruction, administrative order, rule or regulation contrary to, or
28 inconsistent with the provision of this Act is hereby repealed, modified or amended
29 accordingly.
30

31 **SECTION 24. *Effectivity.*** - This Act shall take effect fifteen (15) days from the date
32 of its publication in the Official Gazette or in at least two (2) newspapers of general
33 circulation.
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35 *Approved,*