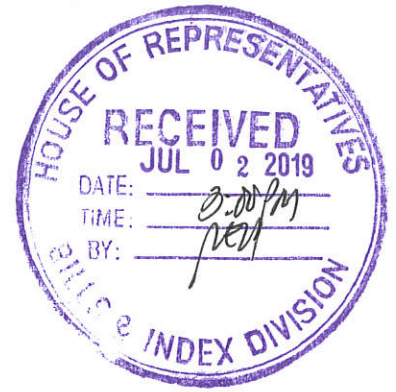


Republic of the Philippines  
**HOUSE OF REPRESENTATIVES**  
Quezon City



**18TH CONGRESS**  
First Regular Session

HOUSE BILL NO. 986

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**Introduced by Representative MICHAEL L. ROMERO**

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**EXPLANATORY NOTE**

A postpaid **suspension scheme** (temporary disconnection) has a clear beginning and end date. This suspension fee currently is being charge exclusive of the monthly service fees (**MSF**). Even after the suspension has been lifted, it still incurs additional charges for the account holder.

The Statement of Account (**SOA**) itself is an important component of the services, which acts as an envoy of the service provider and serves an evidence of the services and payments.

This House Bill seeks to safeguard the interests and general welfare of the consumer-subscriber, to establish fair standards of conduct for all business and industry.

Towards this end, the State shall implement measures to achieve these noble objectives.

Thus, the early passage of this bill is earnestly requested.



**MICHAEL L. ROMERO Ph.D.**

Republic of the Philippines  
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AN ACT

PROHIBITING ALL TELECOMMUNICATIONS COMPANY (**SERVICE PROVIDER**) TO CHARGE AND COLLECT MONTHLY SERVICE FEES (**MSF**) DURING THE PERIOD OF SUSPENSION OF ANY POSTPAID SUBSCRIPTION (**PERIOD OF TEMPORARY DISCONNECTION**), TO FOSTER CONSUMER-SUBSCRIBER PROTECTION AND WELFARE, PROVIDING PENALTIES AND SANCTIONS, AND FOR OTHER PURPOSES

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

**SECTION 1. DECLARATION OF POLICY** – it is hereby a declared policy of the state to:

- a. Protect the interests of the consumers-subscribers;
- b. Nurture the general welfare and create justifiable standards of protocol for all business and industries;
- c. Safeguard against all forms of deception, unfair and unethical practices and schemes;
- d. Foster the proper implementation of the rights of the consumer; and

- e. Accelerate the imposition of all existing policies and guidelines of the RA7394 (**Consumer act of the Philippines**).

**SECTION 2. PROHIBITING THE CHARGING AND COLLECTION OF MONTHLY SERVICE FEES (MSF) DURING THE PERIOD OF A POSTPAID SUBSCRIPTION'S SUSPENSION (TEMPORARY DISCONNECTION) :**

- a. All telecommunications company / service provider shall be prohibited from charging and collecting monthly service fees (MSF) during the period of a postpaid subscription's suspension (temporary disconnection);
- b. This prohibition shall apply to all postpaid subscriptions under a service contract, regardless of the duration of its contract; and
- c. This prohibition shall apply regardless of the tenure of the contract consummated by the subscriber.

**SECTION 3. PENALTIES AND SANCTIONS:**

For every violation of this act; or for every failure to comply with;

The Telecommunications company/Service provider shall pay a fine of not less than Two hundred thousand pesos (**₱200,000.00**) for the first offense; a fine of not less than Five hundred thousand pesos (**₱500,000.00**) for the second offense.

In case of subsequent offenses;

The penalty shall be a fine of not less than One million pesos (**₱1,000,000.00**), and revocation of the franchise to operate.

**SECTION 4. TRANSITORY PROVISION** – Existing industries, businesses and offices affected by the implementation of this Act shall be given six **(6)**

months transitory period from the effectivity of the IRR or such other period as may be determined, to comply with the requirements of this Act.

**SECTION 5. IMPLEMENTING RULES AND REGULATIONS** – The departments and agencies charged, to be led by the Bureau of Communication Services **(BCS)** of the PCOO, Department of Trade and Industry **(DTI)**, Department of Information and Communications Technology **(DICT)** and the National Telecommunication Commission **(NTC)** with carrying out the provisions of this Act, shall within sixty **(60)** days after the effectivity of this Act, formulate the necessary rules and regulations for its effective implementation.

**SECTION 6. REPEALING CLAUSE** – All laws, decrees, executive orders, rules and regulations, or parts thereof inconsistent with the provisions of this Act are hereby repealed or modified accordingly.

**SECTION 7. SEPARABILITY CLAUSE** – If, for any reason, any section or provision of this Act is held unconstitutional or invalid, the other sections or provisions hereof shall not be affected thereby.

**SECTION 8. EFFECTIVITY CLAUSE** – This Act shall take effect after fifteen (15) days from its publication in the Official Gazette or in at least two (2) national newspapers of general circulation whichever comes earlier.

Approved,