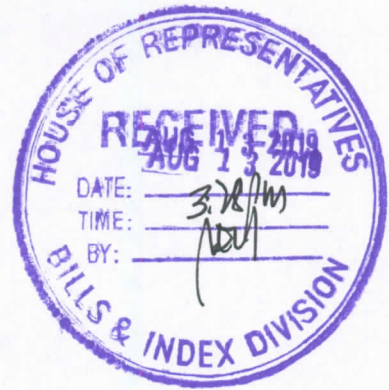


Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City

EIGHTEENTH CONGRESS
First Regular Session

HOUSE BILL NO. 3866



Introduced by Rep. Precious Hipolito Castelo

EXPLANATORY NOTE

Various regulatory bodies were placed and institutionalized in our government so that public policies, rules and regulations are carefully honed and studied before they are implemented. Certainly, this kind of set-up allowed the enhancement of the quality of policymaking in each government agency, in accordance with the purposes and objectives of each regulatory body, as provided in their respective charters.

Policies are supposed to be made by these regulatory bodies in order to serve and protect the public, particularly the consumers. Undeniably, public opinion should weigh heavily in their policymaking. However, there is a lack of concrete mechanism in place that allows the consumers to have a more involved role in policymaking.

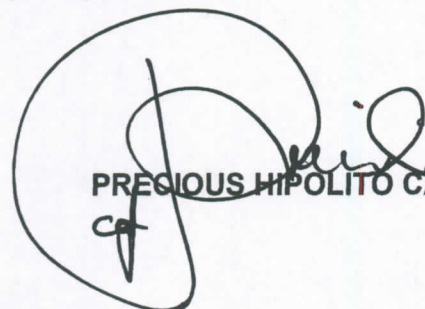
Often, policies are made by these regulatory bodies without having consulted the concerned stakeholders. For instance, it is not unusual for the public to know about a certain regulation which hikes up toll rates in major expressways only when it is already approved and published for implementation.

The Constitution itself puts a premium on the importance of public participation in policymaking. Under Section 16 of Article XIII, it is provided that: "The right of the people and their organizations to effective and reasonable participation at all levels of social, political, and economic decision-making shall not be abridged. The State shall, by law, facilitate the establishment of adequate consultation mechanisms".

In view of the foregoing, this humble measure seeks to give a platform to the common people in various government regulatory bodies. Specifically, this bill endeavors to include at least one (1) representative from consumer groups belonging to the sector being regulated by the government regulatory body concerned.

Said representative will be called the Consumer Group Representative, who will sit and have a vote on Governing Boards of government regulatory bodies. This way, there will be another layer of checks-and-balances from within the regulatory body itself, when they formulate public policy.

As such, the passage of this measure is collectively sought.


PRECIOUS HIPOLITO CASTELO

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HOUSE BILL NO. 3866

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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

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

SECTION 1. *Title.* – This Act shall be known as the “Consumer Group Representation in Regulatory Bodies Act.”

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

- a) Prevent the concentration of power and information in a few persons or government organizations;
- b) Adopt and implement a policy of full public disclosure of all its transactions involving public interest, thereby promoting transparency and accountability; and
- c) Ensure the protection and advancement of consumer welfare by mandating the inclusion of consumer group representatives in the Governing Boards of government regulatory bodies.

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

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

- a) Land Transportation and Franchising Regulatory Board, created by Executive Order No. 292;
- b) Toll Regulatory Board, created by Presidential Decree No. 1112;
- c) Energy Regulatory Commission, created by Republic Act No. 9136;

- d) Manila Waterworks and Sewerage System, created by Executive Order No. 1036;
- e) Local Water Utilities Administration, created by Presidential Decree No. 198, as amended; and
- f) National Telecommunications Commission, created by Executive Order No. 546.

Such member of the respective governing boards of the afore-mentioned government regulatory bodies shall be called the Consumer Group Representative.

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

SEC. 5. *Qualifications of Consumer Group Representative.* – The Consumer Group Representative to be appointed should be a natural born citizen of the Philippines, at least thirty (30) years of age, able to read and write, a bona fide member of the Consumer Group which the appointee seeks to represent for at least two (2) years prior to the appointment, and has never been convicted of any administrative, civil, or criminal offense involving moral turpitude.

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

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

SEC. 6. *Term of Office of the Consumer Group Representative.* – The term of office of the Consumer Group Representative shall be two (2) years: *Provided*, That, upon the expiration of the term, a member of the consumer group shall serve until a successor shall have been appointed and qualified; *Provided further*, That an appointment to fill the vacancy that arises prior to the expiration of the term of the Consumer Group Representative shall only be for the unexpired portion of such term; *Provided finally*, That no member of the Consumer Group shall be appointed for more than two (2) consecutive or partial terms.

SEC. 7. *Appointing Authority.* – The President of the Republic of the Philippines shall appoint the Consumer Group Representative subject to the qualifications as herein provided, and to the limitations and prohibitions under existing laws and statutes.

SEC. 8. *Implementing Rules and Regulations.* – Within sixty (60) days after the effectivity of this Act, the Department of Budget and Management (DBM), in coordination with the government regulatory agencies as enumerated under Section 4 of this Act shall formulate the rules and regulations to effectively implement the provisions of this Act.

SEC. 9. *Separability Clause.* – If any portion or provision of this Act is declared unconstitutional, the remainder of this Act or any provisions not affected thereby shall remain in force and effect.

SEC. 10. *Repealing Clause.* – Any law, presidential decree or issuance, executive order, letter of instruction, rule or regulation inconsistent with the provisions of this Act is hereby repealed or modified accordingly.

SEC. 11. *Effectivity.* – This Act shall take effect fifteen (15) days following its complete publication in two (2) newspapers of general circulation or in the Official Gazette.

Approved,