

FOURTEENTH CONGRESS OF THE REPUBLIC)
OF THE PHILIPPINES)
Third Regular Session)

OFFICE OF THE SECRETARY

9 JUN 24 P1:27

SENATE
S. B. No. 3322

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Introduced by Senator Miriam Defensor Santiago

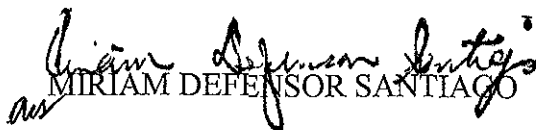
EXPLANATORY NOTE

The prepaid calling industry certainly has come a long way. It is one of the leading money-makers and stock-market leaders in our economy. However, serious problems of consumers complaining that they cannot get the value of what they pay for in terms of the services offered by prepaid calling companies need to be given attention.

According to a leading cell-phone consumer advocacy group, two of the abuses mostly committed by companies in the prepaid calling industry are: (1) diminishing load; (2) setting of expiration dates on prepaid call-text cards.

The primary objective of this bill is to protect the Public Consumer from unfair practices committed by Telecommunication Companies. Common complaints from consumers of pre-paid calling cards such as the deduction from card balances, and expiration dates on prepaid call-text cards – would be strictly prohibited. Some of the requirements are very similar to existing consumer protection laws and regulations already imposed in other countries.

This bill will make it unlawful for any prepaid telephone calling service provider to impose expiration dates on prepaid call-text-cards and to forfeit peso value loads of a consumer.


MIRIAM DEFENSOR SANTIAGO

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1 AN ACT
2 PROHIBITING PREPAID TELEPHONE CALLING SERVICE PROVIDERS TO
3 IMPOSE EXPIRATION PERIODS ON THE VALIDITY OF PREPAID CALL-TEXT
4 CARDS AND THE FORFEITURE OF THE PESO LOAD THEREOF

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

5 SECTION 1. *Title.* - This Act shall otherwise be known as the "*Prepaid Load*
6 *Protection Act*"

7 SEC. 2. *Definitions.*

8 (a) COMMISSION- The term 'Commission' means the National
9 Telecommunications Commission (NTC).

10 (b) PREPAID TELEPHONE CALL-TEXT CARDS -

11 (1) IN GENERAL- The terms 'prepaid telephone call-text cards' mean
12 any right of use purchased in advance for a sum certain linked to an access
13 number and authorization code that enables a consumer to use a prepaid telephone
14 calling service. Such rights of use may be embodied on a card or other physical
15 object or may be purchased by an electronic or telephonic means through which
16 the purchaser obtains access numbers and authorization codes that are not
17 physically located on a card or other physical object.

18 (2) EXCLUSION- The terms 'prepaid telephone call-text cards' do not
19 include cards or other rights of use that provide access to—

20 (i) a telecommunications service with respect to which the card or
21 other rights of use and the telecommunications service are provided for
22 free or at no additional charge as a promotional item accompanying a
23 product or service purchased by a consumer; or