CONGRESS OF THE PHILIPPINES EIGHTEENTH CONGRESS Third Regular Session

HOUSE OF REPRESENTATIVES

H. No. 9851

BY REPRESENTATIVES DAZA, TEVES (J.), GARBIN, YAP (V.), CABREDO, ARENAS, GATCHALIAN, VIOLAGO, SIAO, BORDADO, CASTRO (F.L.), LACSON, KHO (W.), TAN (A.S.), TIANGCO, NOLASCO AND VILLARICA, PER COMMITTEE REPORT NO. 1092

AN ACT

ESTABLISHING A ZERO SPECTRUM USER FEE POLICY FOR PHILIPPINE TELECOMMUNICATIONS ENTITIES USING WI-FI FREQUENCY BANDS OR SPECTRUM

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

SECTION 1. Short Title. – This Act shall be known as the "Zero Spectrum User Fee for Telcos
 Using Wi-Fi Act ".

SEC.2. *Declaration of Policy.* – The State recognizes the vital role of telecommunication in nation building and as such, it shall implement measures to provide communication standards suitable to the needs and aspirations of the nation.

As a scarce public resource, the State shall manage the use of the radio frequency spectrum in the interest of the public and in accordance with international agreements and conventions to which the Philippines is a signatory. Towards this end, the government shall allocate the radio frequency spectrum to promote the adoption of appropriate technologies and best practices, an interference-free environment, and the highest service standards and shall assign the radio frequency spectrum to service providers capable of efficiently and effectively using it to meet public demand for telecommunications and data transmission services.

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SEC. 3. Objectives. – This Act aims to:

14 a) Establish a policy and regulation that will reduce to zero the spectrum user fee (SUF) 15 paid by telecommunications entities to the national government, to enable the proliferation of the Wi-Fi technology usage and infrastructure development, and eventually lower the cost of
 delivering telecommunications services to end users;

b) Promote the acceleration of internet use in the country and the expansion of Wi-Fi
technology and infrastructure in unserved and underserved areas so the poor and underprivileged
will have access to reliable, accessible and affordable connectivity;

c) Encourage and empower the small players in the industry to provide affordable internet
services especially in the unserved and underserved areas; and

d) Adopt a license-free, zero SUF policy in accordance with best international practices,
and protect public interest by limiting the use of outdoor Wi-Fi frequency access points or base
stations and links to the government and duly enfranchised public telecommunications entities.

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SEC. 4. Definition of Terms. – As used in this Act:

- a) *Internet* refers to the biggest worldwide global computer network providing a wide
 variety of information and communication facilities, consisting of interconnected networks
 using standardized communication protocols;
- b) Internet service provider or ISP refers to an entity with or without a franchise, registered
 as a value-added service provider with the National Telecommunications Commission
 (NTC) and authorized to build, install, operate and maintain a network in order to offer
 internet access services to the public for a fee;
- c) Open and unprotected frequency refers to the frequencies at 2.4-2.4835 GHz, 5.150 5.350 GHz, and 5.470-5.850 GHz. of the radio spectrum. Any frequency outside of these
 frequencies is a licensed frequency especially if it is included in the frequencies listed in the
 Department of Information and Communications Technology (DICT) policies and NTC
 Memorandum Circulars and issuances which are part of the National Radio Frequency
 Allocation Table (NRFAT);
- d) *Public telecommunications entity or PTE* refers to any person, firm, partnership or
 corporation, government or private, engaged in the provision of telecommunications
 services to the public for a fee;
- e) Radio frequency spectrum refers to the part of the electromagnetic spectrum with
 frequencies from 30Hz to 300GHz, used for communications which includes frequencies
 for wireless telecommunications technologies such as radio, television, and radar;
- f) Spectrum user fee (SUF) refers to the fee imposed by the government regulator in the
 use of a particular frequency; and
- g) Wi-Fi or Wireless fidelity refers to a type of wireless local access network technology
 that is based on the Institute of Electrical and Electronics Engineers' (IEEE) wireless
 communication standard 802.11 family and uses the 2.4 GHz and 5 GHz frequency band.

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1 SEC. 5. Coverage. – This Act shall cover Wi-Fi frequencies at 2.4-2.4835 GHz, 5.150-5.350 2 GHz, and 5.470-5.850 GHz, and any other frequency band that the NTC may deem open and 3 unprotected after due notice and hearing. This Act shall in no way amend or repeal Republic Act 4 No. 10929, otherwise known as "The Free Internet Access in Public Places Act".

5 SEC. 6. Establishing a Zero Spectrum User Fee. – The State through the DICT and the NTC 6 shall not impose a levy, charge, or collect fees from PTEs and other users for their use of 7 frequencies as specified in this Act: *Provided*, That PTEs shall not interfere with each other's Wi-Fi 8 airwaves or with any licensed radio stations in the course of their operations, thereby effectively 9 establishing a zero SUF.

10 SEC. 7. Implementing Rules and Regulations (IRR). – Within sixty (60) days from the 11 effectivity of this Act, the DICT as the lead agency, together with the NTC and representatives 12 from the telecommunications sector shall promulgate the necessary rules and regulations for the 13 effective implementation of the provisions of this Act.

14 SEC. 8. Joint Congressional Oversight Committee (JCOC). – There is hereby created a 15 Joint Congressional Oversight Committee to monitor the effective implementation of this Act, 16 recommend the necessary remedial or administrative measures and perform such other duties and 17 functions as may be necessary to attain the objectives of this Act.

The oversight committee shall be composed of eight (8) members, with the Chairpersons of the Senate Committee on Public Services and the House of Representatives' Committee on Information and Communications Technology as Co-Chairpersons. The three (3) members from each House, shall be designated by the Senate President and the Speaker of the House of Representatives, respectively: *Provided*, That at least one (1) member from each House shall be nominated by their respective Minority Leaders. The secretariat of the JCOC shall be the existing secretariat personnel of the concerned Committees of both Houses of Congress.

SEC. 9. Suppletory Application. - The provisions of Republic Act No. 10844 also known as
 the "Department of Information and Communications Technology Act of 2015" and other laws
 consistent with this Act shall have suppletory application.

SEC. 10. Separability Clause. – If any provision of this Act is declared unconstitutional or invalid, other parts or provisions hereof not affected thereby shall continue to be in full force and effect.

SEC. 11. *Repealing Clause.* – All laws, presidential decrees, executive orders, presidential
 proclamations, rules and regulations or parts thereof contrary to or inconsistent with this Act are
 hereby repealed, superseded or modified accordingly.

SEC. 12. Effectivity. – This Act shall take effect fifteen (15) days after its publication in the
 Official Gazette or in a newspaper of general circulation.

Approved,

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