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SENATE

S.B. No. <u>2972</u>

Introduced by Senator Francis "Tol" N. Tolentino

AN ACT

INSTITUTIONALIZING THE GRANT OF STUDENT LOAD DISCOUNT PRIVILEGE ON MOBILE AND INTERNET SERVICES AND FOR OTHER PURPOSES

EXPLANATORY NOTE

In recent years, especially after the COVID-19 pandemic, education has increasingly relied on digital communication and online resources. Acknowledging the financial difficulties many students face — particularly those from underprivileged backgrounds — the proposed "Student Load Discount Act" seeks to provide vital support.

The primary aim of this Act is to offer a 20% discount on mobile load, text, call, and internet services for eligible students. This initiative is intended to promote educational equity, enhance digital literacy, and foster collaboration between the government and telecommunications companies (TELCOs) to meet students' needs.

To qualify for the discount, students must be Filipino citizens enrolled in an accredited educational institution, with post-graduate students being the only exception. Students will need to present a valid school ID or proof of enrollment. The discount will be available year-round and is strictly for personal educational use. Importantly, students cannot combine this discount with other TELCO promotional offers, ensuring fair implementation.

To encourage participation, TELCOs will be allowed to claim tax deductions that align with the discounts they provide. This creates an incentive for these companies to actively support students' educational needs.

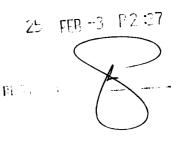
The National Telecommunications Commission (NTC) and the Department of Information and Communications Technology (DICT) will oversee the implementation of the Act, ensuring that TELCOs comply with regulations, including submitting quarterly reports. There will also be penalties for TELCOs that fail to provide the discount, with fines escalating for repeated violations. Additionally, students who misuse the program with fraudulent documentation will face legal repercussions.

By providing financial relief and encouraging digital engagement, this legislation aims to empower students and foster a more equitable educational environment in the Philippines. The collaboration between the government, educational institutions, and telecommunications companies is crucial for the success of this initiative, ultimately paving the way for a brighter future for the country's youth.

For these reasons, the immediate passage of this bill is earnestly sought.

"TOL" N. TOLENTINO FRANCIÒ Senator

NINETEENTH CONGRESS OF THE } REPUBLIC OF THE PHILIPPINES } Third Regular Session }



C.L.

SENATE

S.B. No. <u>2972</u>

Introduced by Senator Francis "Tol" N. Tolentino

AN ACT

INSTITUTIONALIZING THE GRANT OF STUDENT LOAD DISCOUNT PRIVILEGE ON MOBILE AND INTERNET SERVICES AND FOR OTHER PURPOSES

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

1 **Section 1.** *Short Title*. This Act shall be known as the "Student Load Discount 2 Act."

Section 2. *Declaration of Policy.* - The State shall give priority to education, science and technology, arts, culture, and sports to foster patriotism and nationalism, accelerate social progress, and promote total human liberation and development¹. It also recognizes the vital role of communication and information in nation building². Pursuant to these policies, the State ensures equitable access to education by providing necessary support to students, particularly in their communication and online learning needs. To achieve this, the State shall:

- (a) Establish a mechanism that ensures the mandatory grant of a student load
 discount privilege;
- (b) Enlist the cooperation of telecommunication companies (TELCOs) in extending
 assistance to students through this privilege; and
- (c) Encourage students, particularly the poor and underprivileged, to utilize digital
 tools for education.

¹ Article II Section 17, 1987 Constitution

² Ibid, Section 24

1 **Section 3.** *Definition of Terms.* - As used in this Act:

- (a) Student Any Filipino citizen currently enrolled in a duly authorized
 elementary, secondary, technical-vocational, or higher education institution,
 excluding post-graduate degree courses.
- (b) Telecommunication Companies (TELCOs) Companies providing mobile, text,
 call, and internet services in the Philippines.
- 7 (c) Student Load Discount A 20% discount on prepaid and postpaid mobile load,
 8 text, call, and internet services availed by eligible students.

9 Section 4. Coverage. - This Act shall cover all telecommunication services,
10 including but not limited to:

- 11 (a) Prepaid mobile load for text, call, and data;
- 12 (b) Postpaid mobile plans; and
- 13 (c) Broadband and internet services used for educational purposes.

Section 5. Student Load Discount Privilege. - A student shall be entitled to a 20% discount on mobile load, text, call, and internet services, subject to the following conditions:

- (a) The discount shall be applied upon presentation of a valid school ID or proofof enrollment.
- 19 (b) The discount shall be available year-round, including weekends and holidays.
- (c) The discount shall apply only to personal educational use and may not be
 transferred.

Section 6. *Prohibition on Double Discounts.* - Students cannot avail of multiple
 discounts at the same time. If a promotional discount from a TELCO is higher than 20%,
 the student may choose which discount to apply.

25 **Section 7.** *Tax Deduction for TELCOs.* - TELCOs may claim tax deductions 26 equivalent to the cost of the discount granted, subject to the rules to be promulgated by 27 the Bureau of Internal Revenue (BIR).

Section 8. *Implementation and Monitoring.* - The National Telecommunications Commission (NTC) and the Department of Information and Communications Technology (DICT) shall oversee the implementation of this Act. TELCOs shall submit quarteriy reports on compliance. 1 **Section 9.** *Penalties.* - The following penalties shall be imposed for violation of 2 this Act, to wit:

- 3 (a) TELCOs that refuse to grant the discount shall be fined:
 4 ₱50,000 for the first offense
 5 ₱100,000 for the second offense
- 6 ₱200,000 for the third and subsequent offenses
- (b) Any student found using fraudulent documents to avail of the discount shall be
 disqualified from the privilege without prejudice to the filing of appropriate
 criminal charges for such act.

10 **Section 10.** *Implementing Rules and Regulations (IRR).* - Within 90 days from 11 the effectivity of this Act, the NTC, DICT, Department of Education (DepEd), and the 12 Commission on Higher Education (CHED) shall formulate the IRR.

- 13 **Section 11.** *Separability Clause.* If any provision of this Act is declared 14 unconstitutional, the remaining provisions shall continue to be in effect.
- Section 12. *Repealing Clause*. All laws, decrees, or executive orders inconsistent
 with this Act are hereby repealed or modified accordingly.
- Section 13. *Effectivity.* This Act shall take effect 15 days after its publication in
 the Official Gazette or a newspaper of general circulation.

Approved

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