

Republic of the Philippines  
HOUSE OF REPRESENTATIVE  
Quezon City



SEVENTEENTH CONGRESS  
First Regular Session

HOUSE BILL NO. 4989

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Introduced by: **REPS. RAUL V. DEL MAR, RODRIGO A. ABELLANOSA,  
GERALD ANTHONY V. GULLAS, JR., WILFREDO S. CAMINERO,  
DEPUTY SPEAKER GWENDOLYN F. GARCIA, BENHUR L. SALIMBANGON,  
RAMON "RED" H. DURANO VI, JONAS C. CORTES, PETER JOHN D. CALDERON  
and AILEEN C. RADAZA**

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#### EXPLANATORY NOTE

Word Broadcasting Corporation, formerly Filipinas Broadcasting Association, Inc. (as amended on July 20, 1991) and registered at the Securities and Exchange Commission on May 23, 1967 with a primary purpose of establishing radio and television stations network throughout the Philippines, to the extent that it may be authorized by the law.

The SVD Fathers of the University of San Carlos, the owners of the franchise were very grateful when the broadcast franchise was granted to them on May 5, 1992. The broadcast franchise enabled them to make use of the radio in their missionary task of education, evangelization and development of the human person guided by the Christian values. The students of the University of San Carlos- which the missionary Fathers also owned and managed- were benefited with the existence of the radio station inside its main campus. Education was not only confined to the four corners of their classrooms, it spilled out to the airwaves. Some of the developmental activities of the students were aired and they reached greater areas particularly communities in far flung villages in Visayas and Mindanao. After all radio transcends the barrier of illiteracy.

In times of disasters, radio broadcast was paramount source of information for the public. A case in point was super typhoon Yolanda. The relevance of the radio as was exalted the days and weeks that followed that Herculean tragedy. Radio became an indispensable tool. It was the fastest and most handy source of timely information being a companion medium. Everybody relied on the radio. In the midst of the thousands of lives lost, juxtaposed the thousands more left homeless, radio became an ally. The SVD Fathers and the students of the University of San Carlos were there to extend a helping hand to our suffering brothers and sisters who were traumatized to say the least. They were able to organize and plan relief operations the soonest aided by the airwaves. Thanks to the radio- thanks to the broadcast franchise.

On May 5, 2017, the broadcast franchise under RA 7485 granted to Word Broadcasting Corporation of the SVD Fathers of the University of San Carlos will expire. Twenty-five years after they were given the legislative franchise they remain faithful to their mission of helping our brothers and sisters in education, evangelization and total human development through their work in the airwaves. There is no letting up to SVD Fathers desire to continue their noble task as missionary priests and brothers in touching the lives of others; in accompanying the human and spiritual journey of the faithful through their broadcast ministry.

This bill therefore seeks to renew the legislative franchise of Word Broadcasting Corporation to enable it to continue its commitment to public service on its unflinching practice of disseminating timely, truthful and precise information to the Filipino people.

In view of the foregoing, the approval of this measure is earnestly sought.



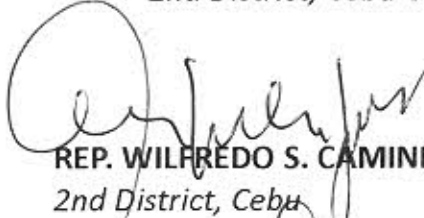
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*1st District, Cebu City*



**REP. RODRIGO A. ABELLANOSA**  
*2nd District, Cebu City*



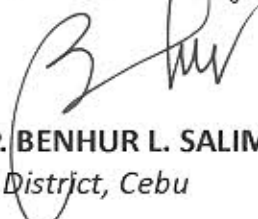
**REP. GERALD ANTHONY V. GULLAS, JR.**  
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**REP. WILFREDO S. CAMINERO**  
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*4th District, Cebu*



**REP. RAMON "RED" H. DURANO VI**  
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**REP. AILEEN C. RADAZA**  
*Lone District, Lapu-Lapu City*

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**AN ACT**

**RENEWING THE FRANCHISE GRANTED TO WORD BROADCASTING CORPORATION UNDER REPUBLIC ACT NO. 7485 ENTITLED "AN ACT GRANTING WORD BROADCASTING CORPORATION FORMERLY FILIPINAS BROADCASTING ASSOCIATION, INC. (AS AMENDED ON JULY 20, 1991) A FRANCHISE TO CONSTRUCT, INSTALL, OPERATE AND MAINTAIN FOR COMMERCIAL PURPOSES RADIO BROADCASTING AND TELEVISION STATIONS IN THE VISAYAS AND MINDANAO AND FOR OTHER PURPOSES." FOR ANOTHER TWENTY-FIVE (25) YEARS FROM THE EFFECTIVITY OF THIS ACT.**

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

**SECTION 1. *Nature and Scope of the Franchise.*** Subject to the provisions of the 1987 Philippine Constitution and applicable laws rules and regulations the franchise granted to Word Broadcasting Corporation, under Republic Act 7485 entitled " an act granting Filipinas Broadcasting Association, Inc./Word broadcasting Corporation a franchise to construct, install, operate and maintain for commercial purposes radio broadcasting and television stations in the Visayan and Mindanao and for other purposes" hereunder referred to as the grantee, its successors or assigns, a franchise to construct, install, establish, operate and maintain for commercial purposes and in the public interest, radio and/or television

broadcasting stations in the Visayan and Mindanao, with the corresponding technological auxiliaries or facilities, special broadcast and other program, distribution services and relay stations, and to install radio communication facilities for the grantee's private use in its broadcast services, is hereby renewed for another twenty-five (25) years from the effectivity of this Act.

**SECTION 2. *Manner of Operation of Stations or Facilities.*** The stations or facilities of the grantee shall be constructed and operated in a manner as will at most result only in the minimum interference on the wavelength or frequencies of the existing stations or other stations which may be established in accordance with the law of other telecommunications services grantees without in any way diminishing its own right to use its selected wavelengths or frequencies and the quality of transmission or reception thereon as should maximize rendition of the grantee's services and or the availability thereof.

**SECTION 3. *Prior Approval of the National Telecommunications Commission.*** The grantee shall secure from the National Telecommunication Commission the appropriate permits and licenses for its stations and shall not use any frequency in the radio/television spectrum without having been authorized by the Commission. The Commission, however, shall not unreasonably withhold or delay the grant of any such authority.

**SECTION 4. *Responsibility to the Public.*** The grantee shall provide reasonable public service time to enable the Government, through the said broadcasting stations, to reach the population on important public issues; provide at all times sound and balanced programming; promote public participation such as in community programming; assist in the function of public information and education; conform to the ethics of honest enterprise; and not use its stations for broadcasting of obscene and indecent language, speech, act or scene, or for dissemination of deliberately false information or willful misrepresentation, or to the detriment of the public interest, or to incite, encourage, or assist in subversive or treasonable acts.

**SECTION 5. *Right of Government.*** A special right is hereby reserved to the President of the Philippines, in times of rebellion, public peril, calamity, emergency, disaster or disturbance of peace and other, to temporarily take over and operate the stations of the

grantee, to temporarily suspend the operation of any station in the interest of public safety, security and public welfare, or to authorize the temporary use and operation thereof by any agency of the Government, upon due compensation to the grantee, for the use of the said stations during the period when they shall be so operated.

**SECTION 6. *Terms of the Franchise.*** This franchise shall be for a term of twenty five (25) years from the date effectivity of this Act unless revoked or cancelled. In the event the grantee fails to operate continuously for two (2) years, this franchise shall be deemed *ipso facto* revoked.

**SECTION 7. *Acceptance and Compliance.*** Acceptance of this franchise shall be given in writing within sixty (60) days after approval of this act. The grantee shall construct, complete and operate a television or radio station within two (2) years from the date of its acceptance in writing of this franchise. Refusal or failure to accept the franchise or to operate within the prescribed period shall render the franchise void.

**SECTION 8. *Tax Provisions.*** The grantee, its successors or assigns shall be liable to pay the same taxes on their real estate, buildings and personal property, exclusive of this franchise, as other persons or corporations are now or hereafter may be required by law to pay. In addition thereto, the grantee, its successors or assigns shall pay a franchise tax equivalent to three percent (3%) of all gross receipts of radio/television business transacted/ under this franchise by the grantee, its successors or assigns and the said percentage shall be in lieu of all taxes on this franchise or earnings thereof: *Provided*, That the grantee, its successors or assigns shall continue to be liable for income taxes payable under Title II of the National Internal Revenue Code pursuant to Section 2 of Executive Order No. 72 unless the latter enactment is amended or repealed, in which case the amendment or repeal shall be applicable thereto.

The grantee shall file the return with and pay the tax due thereon to the Commissioner of Internal Revenue or his duly authorized representative in accordance with the National Internal Revenue Code. The return shall be subject to audit by the Bureau of Internal Revenue.

**SECTION 9. *Self-regulation by and Undertaking of Grantee.*** The grantee shall not require any previous censorship of any speech, play, act or scene, or other matter to be broadcast and or telecast from its stations; but if any speech, play, act or scene, or other matter should constitute a violation of the law or infringement of a private right, the grantee shall be free from any liability, civil or criminal, for such play, act or scene, or other matter: *Provided,* That the grantee, during any broadcast and or telecast, shall cut-off the air the speech, play, act or scene, or other matter being broadcast if the tendency thereof is to propose and or incite treason, rebellion or sedition; or the language used therein the theme thereof is indecent or immoral; and willful failure to do so shall constitute a valid cause for the cancellation of this franchise.

**SECTION 10. *Warranty in Favor of National and Local Governments.*** The grantee shall hold the national, provincial and municipal governments of the Philippines harmless from all claims, accounts, demands or actions arising out of accidents or injuries, weather to property or to persons, caused by the construction or operation of its stations of the grantee.

**SECTION 11. *Sale, Lease, Transfer, Usufruct, etc.*** The grantee shall not lease, transfer, grant the usufruct of, sell or assign this franchise or the rights and privileges acquired thereunder to any person, firm, company, corporation or entity, nor merge with any other corporation or entity without the prior approval of the Congress of the Philippines. Neither shall the controlling interest in the grantee be transferred, whether as a whole or in part, whether simultaneously or contemporaneously, to any such person, firm, company, corporation or entity without prior approval of the Congress of the Philippines. Any person or entity to which this franchise is validly sold, transferred or assigned shall be subject to all the same conditions, terms restrictions and limitations of this Act.

**SECTION 12. *Separability Clause.*** If any of the section or provision of this Act is held invalid, all the other provisions not affected thereby shall remain valid.

**SECTION 13. *Repealing and Non-exclusive Clause.*** This franchise is subject to amendments, alteration or repeal by the Congress of the Philippines when the public



interest so requires and shall not be interpreted as an exclusive grant of the privileges herein provided for.

**SECTION 14. *General Broadcast Policy.*** The grantee shall comply with and be subject to the provisions of a general broadcast policy law that may hereafter be enacted.

**SECTION 15. *Reportorial Requirements.*** The grantee shall submit an annual report to the Congress of the Republic of the Philippines on its compliance with the terms and conditions of the franchise and on its operations within sixty days (60) from the end of every year.

**SECTION 16. *The Effectivity Clause.*** This Act shall take effect fifteen (15) days from the date of its publication in at least (2) days newspapers of the general circulation in the Philippines.

Approved,