



HOUSE OF REPRESENTATIVES

H. No. 8155

BY REPRESENTATIVES SALCEDA, ALVAREZ (F.), MACAPAGAL-ARROYO, RADAZA, TEJADA, ENVERGA, BANAL, VARGAS-ALFONSO, ZAMORA (M.C.), UNABIA, ABELLANOSA, CAMINERO, ACOSTA, BERNOS, CORTES, ESPINO, MARTINEZ, PIMENTEL, UNICO, VIOLAGO, MONTORO, SAVELLANO, VILLAFUERTE, CHIPECO, RODRIGUEZ (I.), DURANO, AGGABAO, MACEDA, GATCHALIAN, RELAMPAGOS, ROMUALDO, VARGAS, REVILLA, BRAVO (M.V.), FERRER (L.), BELMONTE (R.), BATOCABE, VELARDE, ROMERO, MADRONA, CUA, TUGNA, MARCOLETA, ALMARIO, BERTIZ, CHAVEZ, ABAYON, ANDAYA, SINGSON, ALVAREZ (M.), CASTRO (F.H.), ABU, QUIMBO, GARCIA-ALBANO, GARCIA (G.), CAYETANO, GARIN (S.), VILLARICA, SEMA, HERNANDEZ, ABUEG, DEFENSOR, MERCADO, HOFER, CRISOLOGO, GONZALES (A.D.), NOEL, GULLAS, TY, SUAREZ, ATIENZA, GARBIN, DE VERA, BRAVO (A.), CAMPOS, ROMUALDEZ, GO (M.), OAMINAL, MANALO, JAVIER, TING, CANAMA, BOLILIA, ROCAMORA, SARMIENTO (E.M.), PACQUIAO, VILLARIN, OLIVAREZ, GASATAYA, MALAPITAN, LANETE, BELARO, DIMAPORO (M.K.), GONZALEZ, ONG (H.), ROA-PUNO, PALMA, SALO, GONZALES (A.P.), ORTEGA (V.N.), GARCIA (J.E.), FORTUN, HERRERA-DY, PRIMICIAS-AGABAS, YAP (A.), TAN (A.), LOBREGAT, BARBERS, DALIPE AND VIOLAGO, PER COMMITTEE REPORT NO. 839

AN ACT RENEWING FOR ANOTHER TWENTY-FIVE (25) YEARS THE FRANCHISE GRANTED TO CATHOLIC BISHOPS' CONFERENCE OF THE PHILIPPINES, INC., UNDER REPUBLIC ACT NO. 5172, AS AMENDED BY REPUBLIC ACT NO. 7530

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

1 SECTION 1. *Nature and Scope of Franchise.* – Subject to the
2 provisions of the Constitution and applicable laws, rules and
3 regulations, the franchise granted to Catholic Bishops' Conference
4 of the Philippines, Inc., hereunder referred to as the grantee, its
5 successors or assignees, under Republic Act No. 5172, as amended
6 by Republic Act No. 7530, to construct, install, establish, operate,
7 and maintain for religious, educational, cultural, and commercial
8 purposes and in the public interest, radio and/or television
9 broadcasting stations in the Philippines, where frequencies and/or
10 channels are still available or are assigned for radio and/or
11 television broadcasting, including digital television and/or radio
12 systems, through microwave, satellite, or the use of any new
13 technology in television and/or radio systems, with the
14 corresponding technological auxiliaries and/or facilities, special
15 broadcast, and other program and distribution services and relay
16 stations, is hereby renewed for another twenty-five (25) years
17 from the effectivity of this Act.

18 SEC. 2. *Manner of Operation of Stations or Facilities.* – The
19 stations or facilities of the grantee shall be constructed and
20 operated in a manner as will, at most, result only in the minimum
21 interference on the wavelengths or frequencies of existing stations
22 or other stations which may be established by law, without in any
23 way diminishing its own privilege to use its assigned wavelengths
24 or frequencies and the quality of transmission or reception
25 thereon as should maximize rendition of the grantee's services
26 and/or the availability thereof.

1 SEC. 3. *Prior Approval of the National Telecommunications*
 2 *Commission.* – The grantee shall secure from the National
 3 Telecommunications Commission (NTC) the appropriate permits
 4 and licenses for the construction and operation of its stations or
 5 facilities and shall not use any frequency in the radio/television
 6 spectrum without authorization from the NTC. The NTC, however,
 7 shall not unreasonably withhold or delay the grant of any such
 8 authority.

9 SEC. 4. *Responsibility to the Public.* – The grantee shall
 10 provide, free of charge, adequate public service time which is
 11 reasonable and sufficient to enable the government, through the
 12 broadcasting stations or facilities of the grantee, to reach the
 13 pertinent populations or portions thereof, on important public issues
 14 and relay important public announcements and warnings
 15 concerning public emergencies and calamities, as necessity, urgency
 16 or law may require; provide at all times sound and balanced
 17 programming; promote public participation; assist in the functions
 18 of public information and education; conform to the ethics of
 19 honest enterprise; promote audience sensibility and empowerment
 20 including closed captioning; and not use its stations or facilities for
 21 the broadcasting of obscene or indecent language, speech, act, or
 22 scene; or for the dissemination of deliberately false information
 23 or willful misrepresentation, to the detriment of the public interest;
 24 or to incite, encourage, or assist in subversive or treasonable acts.

25 Public service time referred herein shall be equivalent to a
 26 maximum aggregate of ten percent (10%) of paid commercials or
 27 advertisements which shall be allocated based on need to the
 28 executive, legislative, judiciary, constitutional commissions and

1 international humanitarian organizations duly recognized by
 2 statutes: *Provided*, That the NTC shall increase the public service
 3 time in case of extreme emergency or calamity. The NTC shall
 4 issue rules and regulations for this purpose, the effectivity of which
 5 shall commence upon applicability with other similarly situated
 6 broadcast network franchise holders.

7 SEC. 5. *Right of the Government.* – The radio spectrum is a
 8 finite resource that is part of the national patrimony and the use
 9 thereof is a privilege conferred upon the grantee by the State and
 10 may be withdrawn any time after due process.

11 A special right is hereby reserved to the President of the
 12 Philippines, in times of war, rebellion, public peril, calamity,
 13 emergency, disaster, or disturbance of peace and order: to
 14 temporarily take over and operate the stations or facilities of the
 15 grantee; to temporarily suspend the operation of any station or
 16 facility in the interest of public safety, security and public welfare;
 17 or to authorize the temporary use and operation thereof by any
 18 agency of the government, upon due compensation to the grantee,
 19 for the use of said stations or facilities during the period when these
 20 shall be so operated.

21 SEC. 6. *Term of Franchise.* – This franchise shall be for a
 22 term of twenty-five (25) years from the date of the effectivity of this
 23 Act, unless sooner revoked or cancelled. In the event the grantee
 24 fails to operate continuously for two (2) years, this franchise shall be
 25 deemed *ipso facto* revoked.

26 SEC. 7. *Self-regulation by and Undertaking of the Grantee.* –
 27 The grantee shall not require any previous censorship of any
 28 speech, play, act, or scene, or other matter to be broadcast from

1. its stations: *Provided*, That the grantee, during any broadcast, shall
 2 cut off from the air the speech, play, act, or scene, or other matter
 3 being broadcast if the tendency thereof is to propose and/or incite
 4 treason, rebellion or sedition; or the language used therein or
 5 the theme thereof is indecent or immoral: *Provided, further*, That
 6 willful failure to do so shall constitute a valid cause for the
 7 cancellation of this franchise.

8 SEC. 8. *Warranty in Favor of the National and Local*
 9 *Governments.* – The grantee shall hold the national, provincial,
 10 city, and municipal governments of the Philippines free from
 11 all claims, liabilities, demands, or actions arising out of accidents
 12 causing injury to persons or damage to properties, during the
 13 construction or operation of the stations of the grantee.

14 SEC. 9. *Commitment to Provide and Promote the Creation of*
 15 *Employment Opportunities.* – The grantee shall create employment
 16 opportunities and shall allow on-the-job trainings in their franchise
 17 operation: *Provided*, That priority shall be accorded to the residents
 18 in areas where any of its offices is located: *Provided, further*, That
 19 the grantee shall follow the applicable labor standards and
 20 allowance entitlement under existing labor laws, rules and
 21 regulations and similar issuances: *Provided, finally*, That the
 22 employment opportunities or jobs created shall be reflected in the
 23 General Information Sheet to be submitted to the Securities and
 24 Exchange Commission annually.

25 SEC. 10. *Sale, Lease, Transfer, Grant of Usufruct, or*
 26 *Assignment of Franchise.* – The grantee shall not sell, lease,
 27 transfer, grant the usufruct of, nor assign this franchise or the
 28 rights and privileges acquired thereunder to any person, firm,

1 company, corporation, or other commercial or legal entity, nor
 2 merge with any other corporation or entity, nor shall transfer the
 3 controlling interest of the grantee, whether as a whole or in part,
 4 and whether simultaneously or contemporaneously, to any such
 5 person, firm, company, corporation, or entity without the prior
 6 approval of the Congress of the Philippines and compliance with
 7 legal requirements stipulated in other statutes: *Provided*, That
 8 any person or entity to which this franchise is validly sold,
 9 transferred, or assigned shall be subject to the same conditions,
 10 terms, restrictions, and limitations of this Act.

11 SEC. 11. *Reportorial Requirement.* – The grantee shall
 12 submit an annual report to the Congress of the Philippines,
 13 through the Committee on Legislative Franchises of the House of
 14 Representatives and the Committee on Public Services of the
 15 Philippine Senate, on its compliance with the terms and conditions
 16 of the franchise and on its operations on or before April 30 of every
 17 year during the term of its franchise. The reportorial compliance
 18 certificate issued by Congress shall be required before any
 19 application for permit or certificate is accepted by the NTC.

20 SEC. 12. *Fine.* – Failure of the grantee to submit the
 21 requisite annual report to Congress shall be penalized by a fine of
 22 Five hundred pesos (P500.00) per working day of noncompliance.
 23 The fine shall be collected by the NTC from the delinquent franchise
 24 grantee separate from the reportorial penalties imposed by the NTC
 25 and the same shall be remitted to the National Treasury.

26 SEC. 13. *Equality Clause.* – Any advantage, favor, privilege,
 27 exemption, or immunity granted under existing franchises, or which
 28 may hereafter be granted for radio and/or television broadcasting,

1 upon prior review and approval of Congress, shall become part
2 of this franchise and shall be accorded immediately and
3 unconditionally to the herein grantee: *Provided*, That the foregoing
4 shall neither apply to nor affect provisions of broadcasting
5 franchises concerning territorial coverage, the term, or the type of
6 service authorized by the franchise.

7 SEC. 14. *Repealability and Nonexclusivity Clause.* - This
8 franchise shall be subject to amendment, alteration, or repeal by the
9 Congress of the Philippines when the public interest so requires and
10 shall not be interpreted as an exclusive grant of the privileges
11 herein provided for.

12 SEC. 15. *Separability Clause.* - If any of the sections or
13 provisions of this Act is held invalid, all other provisions not
14 affected thereby shall remain valid.

15 SEC. 16. *Repealing Clause.* - All laws, decrees, orders,
16 resolutions, instructions, rules and regulations, and other issuances
17 or parts thereof which are inconsistent with the provisions of this
18 Act are hereby repealed, amended, or modified accordingly.

19 SEC. 17. *Effectivity.* - This Act shall take effect fifteen (15)
20 days after its publication in the *Official Gazette* or in a newspaper of
21 general circulation.

Approved,