



HOUSE OF REPRESENTATIVES

H. No. 6431

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BY REPRESENTATIVES YAP (A.), RELAMPAGOS, BRAVO (A.), ENVERGA,  
VARGAS-ALFONSO, MADRONA, MARCOLETA, GARBIN, PANCHO,  
TEJADA, ACOSTA, SAVELLANO, DAZA, CORTES, TUGNA,  
BERTIZ, VIOLAGO, VARGAS, CAMINERO, MONTORO, DE VERA AND  
ALVAREZ (F.), PER COMMITTEE REPORT NO. 391

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AN ACT GRANTING BOHOL CHRONICLE RADIO CORPORATION  
A FRANCHISE TO CONSTRUCT, INSTALL, ESTABLISH,  
OPERATE AND MAINTAIN RADIO BROADCASTING  
STATIONS IN THE PROVINCE OF BOHOL

*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 Philippine Constitution and applicable laws, rules and  
3 regulations, there is hereby granted to Bohol Chronicle Radio Corporation,  
4 hereunder referred to as the grantee, its successors or assignees, a franchise to  
5 construct, install, establish, operate and maintain for commercial purposes and  
6 in the public interest, radio broadcasting stations in the Province of Bohol  
7 where frequencies and/or channels are still available for radio broadcasting,  
8 including digital radio system, through microwave, satellite or whatever  
9 means, including the use of any new technology in radio systems, with the  
10 corresponding technological auxiliaries and facilities, special broadcast and  
11 other program and distribution services and relay stations.

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

9           SEC. 3. *Prior Approval of the National Telecommunications*  
10 *Commission.* – The grantee shall secure from the National  
11 Telecommunications Commission (NTC) the appropriate permits and  
12 licenses for the construction and operation of its stations or facilities and shall  
13 not use any frequency in the radio spectrum without authorization from the  
14 NTC. The NTC, however, shall not unreasonably withhold or delay the grant  
15 of any such authority.

16           The grantee shall not dispose nor lease its facilities except to entities  
17 with radio or television franchise: *Provided*, That the grantee shall inform and  
18 secure written authorization to proceed from the NTC, and report the  
19 transaction to the NTC within sixty (60) days after its completion: *Provided*,  
20 *further*, That the NTC shall determine the corresponding sanction for any  
21 violation of this provision.

22           SEC. 4. *Responsibility to the Public.* – The grantee shall provide  
23 adequate public service time to enable the government, through the said  
24 broadcasting stations or facilities, to inform the population on important public  
25 issues; provide at all times sound and balanced programming; assist in the  
26 performance of the functions of public information and education; conform to  
27 the ethics of honest enterprise; and to refrain from broadcasting of obscene and  
28 indecent language, speech, act or scene; or disseminating deliberately false

1 information or willful misrepresentation to the detriment of the public interest;  
2 or inciting, encouraging, or assisting in subversive or treasonable acts.

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

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

15       SEC. 6. *Term of Franchise.* — This franchise shall be in effect for a  
16 period of twenty-five (25) years from the effectivity of this Act, unless sooner  
17 revoked or cancelled. This franchise shall be deemed *ipso facto* revoked in the  
18 event the grantee fails to comply with any of the following conditions:

19       (a) Commence operations within one (1) year from the approval of its  
20 operating permit by the NTC;

21       (b) Commence operations within three (3) years from the effectivity  
22 of this Act; and

23       (c) Operate continuously for two (2) years.

24       SEC. 7. *Self-regulation by and Undertaking of the Grantee.* — The  
25 grantee shall not require any previous censorship of any speech, play, act or  
26 scene, or other matter to be broadcast from its stations, but if any such speech,  
27 play, act or scene, or other matter should constitute a violation of the law or  
28 infringement of a private right, the grantee shall be free from any liability,  
29 civil or criminal, for such speech, play, act or scene, or other matter:

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

7 **SEC. 8. *Warranty in Favor of the National and Local Governments.***

8 - The grantee shall hold the national, provincial, city and municipal  
9 governments of the Philippines free from all claims, liabilities, demands, or  
10 actions arising out of accidents causing injury to persons or damage to  
11 properties, during the construction or operation of the stations of the grantee.

12 **SEC. 9. *Sale, Lease, Transfer, Grant of Usufruct, or Assignment of***  
13 ***Franchise.*** - The grantee shall not sell, lease, transfer, grant the usufruct of,  
14 nor assign this franchise or the rights and privileges acquired thereunder to any  
15 person, firm, company, corporation or other commercial or legal entity, nor  
16 merge with any other corporation or entity, nor the controlling interest of the  
17 grantee be transferred, whether as a whole or in part, and whether  
18 simultaneously or contemporaneously, to any such person, firm, company,  
19 corporation or entity without the prior approval of the Congress of the  
20 Philippines: *Provided*, That Congress shall be informed of any sale, lease,  
21 transfer, grant of usufruct, or assignment of franchise or the rights and  
22 privileges acquired thereunder, or of the merger or transfer of the controlling  
23 interest of the grantee, within sixty (60) days after the completion of said  
24 transaction: *Provided, further*, That failure to report to Congress such change  
25 of ownership shall render the franchise *ipso facto* revoked: *Provided, finally*,  
26 That any person or entity to which this franchise is sold, transferred or  
27 assigned shall be subject to the same conditions, terms, restrictions, and  
28 limitations of this Act.

1           SEC. 10. *Reportorial Requirement.* – The grantee shall submit an  
2 annual report to the Congress of the Philippines, through the Committee on  
3 Legislative Franchises of the House of Representatives and the Committee on  
4 Public Services of the Philippine Senate, on its compliance with the terms and  
5 conditions of the franchise and on its operations on or before April 30 of every  
6 year during the term of its franchise. The reportorial compliance certificate  
7 issued by Congress shall be required before any application for permit or  
8 certificate is accepted by the NTC.

9           SEC. 11. *Fine.* – Failure of the grantee to submit the requisite annual  
10 report to Congress shall be penalized by a fine of five hundred pesos (P500.00)  
11 per working day of noncompliance. The fine shall be collected separately by  
12 the NTC distinct from the penalties it imposes for noncompliance of its own  
13 reportorial requirements.

14           SEC. 12. *Equality Clause.* – Except for taxes and customs duties,  
15 any advantage, favor, privilege, exemption, or immunity granted under  
16 existing franchises, or which may hereafter be granted for radio and/or  
17 television broadcasting, upon prior review and approval of Congress, shall  
18 become part of this franchise and shall be accorded immediately and  
19 unconditionally to the herein grantee: *Provided,* That the foregoing shall  
20 neither apply to nor affect the provisions of broadcasting franchises pertaining  
21 to the term, the type of service, or the territorial coverage of the franchise.

22           SEC. 13. *Repealability and Nonexclusivity Clause.* – This franchise  
23 shall be subject to amendment, alteration, or repeal by the Congress of the  
24 Philippines when the public interest so requires and shall not be interpreted as  
25 an exclusive grant of the privileges herein provided for.

26           SEC. 14. *Separability Clause.* – If any of the sections or provisions  
27 of this Act is held invalid, all other provisions not affected thereby, shall  
28 remain valid.

1           SEC. 15. *Repealing Clause.* – All laws, decrees, executive orders,  
2 rules and regulations or parts or provisions thereof which are not consistent  
3 with this Act are hereby repealed, amended, or modified accordingly.

4           SEC. 16. *Effectivity.* – This Act shall take effect fifteen (15) days  
5 after its publication in the *Official Gazette* or in a newspaper of general  
6 circulation.

Approved,

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