



## HOUSE OF REPRESENTATIVES

H. No. 8157

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BY REPRESENTATIVES SINGSON, 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, ALVAREZ (M.), CASTRO (F.H.), ABU, QUMBO, 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 AND SALCEDA, PER COMMITTEE REPORT NO. 841

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AN ACT RENEWING FOR ANOTHER TWENTY-FIVE (25) YEARS THE FRANCHISE GRANTED TO TIRAD PASS RADIO TV BROADCASTING NETWORK, INC. UNDER REPUBLIC ACT NO. 8070, ENTITLED "AN ACT GRANTING THE TIRAD PASS RADIO TV BROADCASTING NETWORK, INC., A FRANCHISE TO CONSTRUCT, ESTABLISH, OPERATE AND MAINTAIN COMMERCIAL AM-FM RADIO AND TELEVISION STATIONS IN THE PHILIPPINES, AND FOR OTHER PURPOSES"

*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 Tirad Pass Radio TV  
4 Broadcasting Network, Inc., hereunder referred to as the grantee,  
5 its successors or assignees, under Republic Act No. 8070, to  
6 construct, establish, operate, and maintain for commercial purposes  
7 and in the public interest, radio and/or television broadcasting  
8 stations, including digital television system, through microwave,  
9 satellite or whatever means, as well as the use of any new  
10 technology in television and radio systems, with the corresponding  
11 technological auxiliaries and facilities, special broadcast and other  
12 program and distribution services and relay stations in the  
13 Philippines, is hereby renewed for another twenty-five (25) years  
14 from the effectivity of this Act.

15           SEC. 2. *Manner of Operation of Stations or Facilities.* – The  
16 stations or facilities of the grantee shall be constructed and  
17 operated in a manner as will, at most, result only in the minimum  
18 interference on the wavelengths or frequencies of existing stations  
19 or other stations which may be established by law, without in any  
20 way diminishing its own privilege to use its assigned wavelengths  
21 or frequencies and the quality of transmission or reception thereon  
22 as should maximize rendition of the grantee's services and/or the  
23 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 honest  
19 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 or  
23 willful misrepresentation, to the detriment of the public interest; or  
24 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 issue  
4 rules and regulations for this purpose, the effectivity of which shall  
5 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 in effect  
22 for a period of twenty-five (25) years from the effectivity of this Act,  
23 unless sooner revoked or cancelled. This franchise shall be deemed  
24 *ipso facto* revoked in the event the grantee fails to operate  
25 continuously for two (2) years.

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 its



1 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 the  
5 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 all  
11 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 merge  
2 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 person,  
5 firm, company, corporation, or entity without the prior approval of  
6 the Congress of the Philippines and compliance with legal  
7 requirements stipulated in other statutes: *Provided*, That any  
8 person or entity to which this franchise is sold, transferred, or  
9 assigned shall be subject to the same conditions, terms, restrictions,  
10 and limitations of this Act.

11       SEC. 11. *Dispersal of Ownership.* – In accordance with the  
12 constitutional provision to encourage public participation in public  
13 utilities, the grantee shall offer to Filipino citizens at least thirty  
14 percent (30%) or a higher percentage that may hereafter be  
15 provided by law of its outstanding capital stock in any securities  
16 exchange in the Philippines within five (5) years from the  
17 commencement of its operations: *Provided*, That in cases where  
18 public offer of shares is not applicable, the grantee shall apply other  
19 methods of encouraging public participation by citizens and  
20 corporations operating public utilities as allowed by law.  
21 Noncompliance therewith shall render the franchise *ipso facto*  
22 revoked.

23       SEC. 12. *Reportorial Requirement.* – The grantee shall  
24 submit an annual report to the Congress of the Philippines, through  
25 the Committee on Legislative Franchises of the House of  
26 Representatives and the Committee on Public Services of the  
27 Philippine Senate, on its compliance with the terms and conditions  
28 of the franchise and on its operations on or before April 30 of every

1 year during the term of its franchise. The reportorial compliance  
2 certificate issued by Congress shall be required before any  
3 application for permit or certificate is accepted by the NTC.

4       SEC. 13. *Fine.* – Failure of the grantee to submit the  
5 requisite annual report to Congress shall be penalized by a fine of  
6 Five hundred pesos (P500.00) per working day of noncompliance.  
7 The fine shall be collected by the NTC from the delinquent franchise  
8 grantee separate from the reportorial penalties imposed by the NTC  
9 and the same shall be remitted to the National Treasury.

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

19       SEC. 15. *Repealability and Nonexclusivity Clause.* – This  
20 franchise shall be subject to amendment, alteration, or repeal by the  
21 Congress of the Philippines when the public interest so requires and  
22 shall not be interpreted as an exclusive grant of the privileges  
23 herein provided for.

24       SEC. 16. *Separability Clause.* – If any of the sections or  
25 provisions of this Act is held invalid, all other provisions not  
26 affected thereby shall remain valid.

1           SEC. 17. *Repealing Clause.* – All laws, decrees, orders,  
2 resolutions, instructions, rules and regulations, and other issuances  
3 or parts thereof which are inconsistent with the provisions of this  
4 Act are hereby repealed, amended, or modified accordingly.

5           SEC. 18. *Effectivity.* – This Act shall take effect fifteen (15)  
6 days after its publication in the *Official Gazette* or in a newspaper of  
7 general circulation.

Approved,

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