



HOUSE OF REPRESENTATIVES

H. No. 8156

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BY REPRESENTATIVES GO (M.), 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, QUIMBO, GARCIA-ALBANO, GARCIA (G.), CAYETANO, GARIN (S.), VILLARICA, SEMA, HERNANDEZ, ABUEG, SUAREZ, DEFENSOR, HOFER, CRISOLOGO, GONZALES (A.D.), NOEL, GULLAS, TY, ATIENZA, GARBIN, DE VERA, BRAVO (A.), CAMPOS, ROMUALDEZ, MERCADO, OAMINAL AND SALCEDA, PER COMMITTEE REPORT NO. 840

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AN ACT RENEWING FOR ANOTHER TWENTY-FIVE (25) YEARS THE FRANCHISE GRANTED TO MOUNTAIN PROVINCE BROADCASTING CORPORATION UNDER REPUBLIC ACT NO. 8164, ENTITLED "AN ACT GRANTING THE MOUNTAIN PROVINCE BROADCASTING CORPORATION A FRANCHISE TO CONSTRUCT, OPERATE AND MAINTAIN RADIO BROADCASTING STATIONS IN BENGUET, IFUGAO, KALINGA, APAYAO, AND MOUNTAIN PROVINCE (FORMERLY KNOWN AS MOUNTAIN PROVINCES)"

*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 Mountain Province  
4 Broadcasting Corporation, hereunder referred to as the grantee, its  
5 successors or assignees, under Republic Act No. 8164, to construct,  
6 install, 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.

24           SEC. 3. *Prior Approval of the National Telecommunications*  
25 *Commission.* – The grantee shall secure from the National  
26 Telecommunications Commission (NTC) the appropriate permits

1 and licenses for the construction and operation of its stations or  
2 facilities and shall not use any frequency in the radio/television  
3 spectrum without authorization from the NTC. The NTC, however,  
4 shall not unreasonably withhold or delay the grant of any such  
5 authority.

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

22       Public service time referred herein shall be equivalent to a  
23 maximum aggregate of ten percent (10%) of paid commercials or  
24 advertisements which shall be allocated based on need to the  
25 executive, legislative, judiciary, constitutional commissions and  
26 international humanitarian organizations duly recognized by  
27 statutes: *Provided*, That the NTC shall increase the public service

1 time in case of extreme emergency or calamity. The NTC shall  
2 issue rules and regulations for this purpose, the effectivity of which  
3 shall commence upon applicability with other similarly situated  
4 broadcast network franchise holders.

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

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

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

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

1 cut off from the air the speech, play, act or scene, or other matter  
2 being broadcast if the tendency thereof is to propose and/or incite  
3 treason, rebellion or sedition; or the language used therein or the  
4 theme thereof is indecent or immoral: *Provided, further,* That  
5 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*  
8 *Governments.* - The grantee shall hold the national, provincial,  
9 city, and municipal governments of the Philippines free from all  
10 claims, liabilities, demands, or actions arising out of accidents  
11 causing injury to persons or damage to properties, during the  
12 construction or operation of the stations of the grantee.

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

24 SEC. 10. *Sale, Lease, Transfer, Grant of Usufruct, or*  
25 *Assignment of Franchise.* - The grantee shall not sell, lease,  
26 transfer, grant the usufruct of, nor assign this franchise or the  
27 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. *Reportorial Requirement.* - The grantee shall  
12 submit an annual report to the Congress of the Philippines, through  
13 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

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

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

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

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

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

Approved,