

Republic of The Philippines
HOUSE OF REPRESENTATIVES
Quezon City

FIFTEENTH CONGRESS
SECOND REGULAR SESSION



COMMITTEE REPORT NO. 1514

Submitted by the Committee on Legislative Franchises on 17 MAY 1986

Re : House Bill No. 5492, prepared by the Committee;

Recommending its approval, in substitution of House Bill No. 1886.

Sponsors: Representatives Marcelino "Marcy" R. Teodoro and Amado S. Bagatsing

MR. SPEAKER:

The Committee on Legislative Franchises to which was referred House Bill No. 1886, introduced by Rep. Amado S. Bagatsing, entitled:

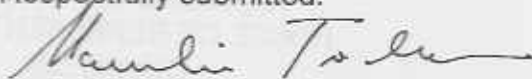
"AN ACT GRANTING TV MARIA FOUNDATION PHILIPPINES, INCORPORATED A FRANCHISE TO CONSTRUCT, INSTALL, ESTABLISH, OPERATE AND MAINTAIN BROADCAST AS WELL AS COMMUNICATIONS STATIONS USING MODERN SATELLITE AND TRRESTIAL FACILITIES IN THE PHILIPPINES"

has considered the same and recommends that the attached House Bill No. 5492 entitled:

"AN ACT GRANTING TV MARIA FOUNDATION PHILIPPINES, INCORPORATED A FRANCHISE TO CONSTRUCT, INSTALL, ESTABLISH, OPERATE AND MAINTAIN TELEVISION BROADCASTING STATIONS IN THE PHILIPPINES"

be approved in substitution of House Bill No. 1886 with Reps. Amado S. Bagatsing and Marcelino "Marcy" R. Teodoro as authors thereof.

Respectfully submitted:



MARCELINO "MARCY" R. TEODORO

Chairman

Committee on Legislative Franchises

**THE HONORABLE SPEAKER
HOUSE OF REPRESENTATIVES
QUEZON CITY**

Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City

FIFTEENTH CONGRESS

Second Regular Session

House Bill No. 5492

Introduced by Reps. Bagatsing and Teodoro

AN ACT
GRANTING TV MARIA FOUNDATION PHILIPPINES, INCORPORATED A
FRANCHISE TO CONSTRUCT, INSTALL, ESTABLISH, OPERATE AND
MAINTAIN TELEVISION BROADCASTING STATIONS IN THE
PHILIPPINES

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

- 1 SEC. 1. *Nature and Scope of Franchise.* - Subject to the provisions of the
2 Constitution and applicable laws, rules and regulations, there is hereby granted
3 to the TV Maria Foundation Philippines, Incorporated hereunder referred to as
4 the grantee, its successors or assigns, a franchise to construct, install, establish,
5 operate and maintain for commercial purposes and in the public interest,
6 television broadcasting stations in the Philippines where frequencies and
7 channels are still available for television broadcasting, including digital television
8 system, Internet Protocol-related services and Internet Protocol-value-added-
9 services, through microwave, satellite, or whatever means, including the use of
10 any new technology that may hereafter or in the future be developed in the field
11 of television broadcasting, with the corresponding technological auxiliaries and
12 facilities, special broadcast and other program and distribution services and relay
13 stations.

1 SEC. 2. *Manner of Operation of Stations on Facilities.* – The stations or
2 facilities of the grantee shall be constructed and operated in a manner as will, at
3 most, result only in the minimum interference on the wavelengths or frequencies
4 of existing stations or other stations which may be established by law, without in
5 any way diminishing its own right to use its selected wavelengths or frequencies
6 and the quality of transmission or reception thereon as should maximize rendition
7 of the grantee's services and/or availability thereof. In no way shall the operator
8 of the grantee nor the radiated power of its station or facilities exceed that
9 required to cover the area where it is allowed to operate

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

16 SEC. 4. *Responsibility to the Public.* - The grantee shall provide adequate
17 public service time to enable the government, through the said broadcasting
18 stations or facilities, to reach the population on important public issues; provide at
19 all times sound and balanced programming; assist in the functions of public
20 information and education; conform to the ethics of honest enterprise; and not
21 use its stations and facilities for the broadcasting of obscene and indecent
22 language, speech, act or scene; or for the dissemination of deliberately false
23 information or willful misrepresentation, to the detriment of the public interest, or
24 to incite, encourage or assist in subversive or treasonable acts.

25 SEC. 5. *Right of Government.* - A special right is hereby reserved to the
26 President of the Philippines, in times of war, rebellion, public peril, calamity,
27 emergency, disaster or disturbance of peace and order, to temporarily take over
28 and operate the stations or facilities of the grantee, to temporarily suspend the
29 operation of any station or facility in the interest of public safety, security and
30 public welfare, or to authorize the temporary use and operation thereof by any

1 agency of the government, upon due compensation to the grantee, for the use of
2 said stations or facilities during the period when they shall be so operated.

3 The radio spectrum is a finite resource that is part of the national patrimony and
4
5 the use thereof is a privilege conferred upon the grantee by the State and may be
6
7 withdrawn anytime after due process.

8 SEC. 6. *Term of Franchise.* - This franchise shall be for a term of twenty-
9 five (25) years from the date of effectivity of this Act, unless sooner revoked or
10 cancelled. This franchise shall be deemed *ipso facto* revoked in the event the
11 grantee fails to comply with any of the following conditions:

12 (a) Commence operations within one (1) year from the approval of its
13 operating permit by the National Telecommunications Commission;

14 (b) Operate continuously for two (2) years; and

15 (c) Commence operations within three (3) years from the effectivity of this
16 Act.

17 SEC. 7. *Acceptance and Compliance.* - Acceptance of this franchise shall
18 be given in writing within sixty (60) days from the effectivity of this Act. Upon
19 giving such acceptance, the grantee shall exercise the privileges granted under
20 this Act. Non-acceptance shall render the franchise void.

21 SEC. 8. *Bond.* - The grantee shall file a bond issued in favor of the NTC,
22 which shall determine the amount, to guarantee the compliance with and
23 fulfillment of the conditions under which this franchise is granted. If after three (3)
24 years from the date of the approval of its permit by the Commission, the grantee
25 shall have fulfilled the same, the bond shall be cancelled by the Commission.
26 Otherwise, the bond shall be forfeited in favor of the government and the
27 franchise *ipso facto* revoked.

1 SEC. 9. *Self-Regulation by and Undertaking of Grantee.* - The grantee
2 shall not require any previous censorship of any speech, play, act or scene, or
3 other matter to be broadcast from its stations; *Provided*, that the grantee, during
4 any broadcast, shall cut off from the air the speech, play, act or scene, or other
5 matter being broadcast if the tendency thereof is to propose and/or incite
6 treason, rebellion or sedition; or the language used therein or the theme thereof
7 is indecent or immoral; and willful failure to do so shall constitute a valid cause
8 for the cancellation of this franchise.

9
10 SEC. 10. *Obligation of Grantee.* Any person aggrieved by any remark,
11 report, statement, commentary or the like by broadcaster using the same
12 facilities by the grantee shall have the right to reply in the same program or any
13 other program the aggrieved party may choose.

14
15 SEC. 11. *Warranty in Favor of National and Local Governments.* - The
16 grantee shall not hold the national, provincial, city and municipal governments of
17 the Philippines liable from all claims, accounts, demands or actions arising out of
18 accidents or injuries, whether to property or to persons, caused by the
19 construction or operation of the of the stations of the grantee.

20 SEC. 12. *Nontransferability of Franchise.* - The grantee shall not lease,
21 transfer, grant the usufruct of, sell nor assign this franchise or the rights and
22 privilege acquired thereunder to any person, firm, company, corporation or other
23 commercial or legal entity, nor merge with any other corporation or entity, nor
24 shall the controlling interest of the grantee be transferred, whether as a whole or
25 in parts and whether simultaneously or contemporaneously, to any such person,
26 firm, company, corporation or entity without the prior approval of the Congress of
27 the Philippines. Any person or entity to which this franchise is sold, transferred or
28 assigned, shall be subject to the same conditions, terms, restrictions and
29 limitations of this Act.

30 SEC. 13. *Equality Clause.* - Any advantage, favor, privilege, exemption, or
31 immunity granted under existing franchise, or which may hereafter be granted for

1 television broadcasting, shall *ipso facto* become part of this franchise and shall
2 be accorded immediately and unconditionally to the herein grantee: *Provided*,
3 however, that the foregoing shall neither apply to nor affect provisions of
4 broadcasting franchises concerning territory covered by the franchise, the life
5 span of the franchise or the type of service authorized by the franchise.

6 SEC. 15. *General Broadcast Policy Law.* – The grantee shall comply with
7 and be subject to the provisions of a general broadcast policy law, which
8 Congress may hereafter enact.

9 SEC. 16. *Reportorial Requirement.* – The grantee shall submit an annual
10 report to the Congress of the Philippines on its compliance with the terms and
11 conditions of the franchise and on its operations within sixty (60) days from the
12 end of every year.

13 SEC. 17. *Separability Clause.* – If any of the sections or provisions of this
14 Act is held invalid, all other provisions not affected thereby shall remain valid.

15 SEC. 18. *Repealability and Nonexclusivity Clause.* – This franchise shall
16 be subject to amendment, alteration, or repeal by the Congress of the Philippines
17 when the public interest so requires and shall not be interpreted as an exclusive
18 grant of the privileges herein provided for.

19 SEC. 19. *Effectivity Clause.* – This Act shall take effect fifteen (15) days
20 from the date of its publication, upon the initiative of the grantee, in at least two
21 (2) newspapers of general circulation in the Philippines.

Approved.

FACT SHEET

House Bill No. 5492

(In substitution of House Bill No. 1886 as approved on August 17, 2011)

"AN ACT GRANTING TV MARIA FOUNDATION PHILIPPINES, INCORPORATED A FRANCHISE TO CONSTRUCT, INSTALL, ESTABLISH, OPERATE AND MAINTAIN BROADCAST AS WELL AS COMMUNICATIONS STATIONS USING MODERN SATELLITE AND TERRESTIAL FACILITIES IN THE PHILIPPINES"

Introduced by: HON. AMADO S. BAGATSING

Committee Referral: LEGISLATIVE FRANCHISES

Committee Chairperson: HON. MARCELINO R. "MARCY" TEODORO

OBJECTIVE:

- To provide a Filipino Catholic Television channel to cater to Roman Catholic Filipinos for the foundation's work of evangelization of the Catholic faith.

KEY PROVISIONS:

- Grant the TV Maria Foundation Philippines, Incorporated a franchise to construct, install, establish, operate and maintain television broadcasting stations in the Philippines.
- Requires the grantee to secure from the National Telecommunications Commission the appropriate permits and licenses for the construction and operation of its stations and not use any frequency in the radio spectrum without having been authorized by the Commission.
- Requires the grantee to provide the government adequate public service time to enable it to reach the population on important public issues and assist in the functions of public information and education and not to use its stations for the broadcasting of obscene and indecent language, speech, act or scene or for the dissemination of deliberately false information or willful misrepresentation.
- Grants a franchise term of twenty-five (25) years.
- Reserves a right for the President of the Philippines, in times of war, rebellion, public peril, calamity, emergency, disaster or disturbance of

peace and order or to temporarily take over and operate the stations or facilities of the grantee, to temporarily suspend the operation of any station or facility 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

- Prohibits the grantee from leasing, transferring, selling or assigning the franchise or the controlling interest thereof without the prior approval of the Congress of the Philippines.

RELATED LAW:

- Republic Act No. 3846 - "AN ACT PROVIDING FOR THE REGULATION OF RADIO STATIONS AND RADIO COMMUNICATIONS IN THE PHILIPPINE ISLANDS, AND FOR OTHER PURPOSES"