

Republic of the Philippines  
**HOUSE OF REPRESENTATIVES**  
Quezon City

**SIXTEENTH CONGRESS**  
Second Regular Session

HOUSE BILL NO. 5182



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Introduced by **HON. CINCHONA CRUZ-GONZALES**

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**EXPLANATORY NOTE**

Broadcast media plays an important and prominent role in providing fast, relevant and reliable information to the public. It is also instrumental and vital in shaping the views and opinions of the people relative to the issues of the day.

Through the years, Far East Broadcasting Co. has been contributing in the information and education of the people on relevant issues besetting the nation. It, likewise, provides sound and balanced programming, conforming to the ethics of honest enterprise and living up to the highest calling of sharing the gospel of love, peace, hope and salvation in Jesus Christ our Lord to our people.

As a background, in August 1946 FEBC Philippines, Inc. was organized. Its first broadcast over local station KZAS went on the air on June 4, 1948 in Manila. International broadcasts to China started on July 27, 1949 with the help of Chinese Filipino Christians. Thereafter, it expanded to other parts of Southeast Asia. Then in no time, broadcasts are heard in 100 languages in 40 countries around the world aired from 148 stations and transmitters, totaling 774 hours of programming a day within a year. But number tells only part of the story. Far more important to FEBC are the lives impacted by their global radio network that shares the Good News of Jesus Christ with a potential listening audience of 3 billion people. Capitalizing on its strength in radio for those who are located in hard to reach areas, it also ventured to reach more people with the development of new technologies such as internet streaming, satellite podcasts, mobile devices and other new media innovations.

Truly, FEBC's efforts and hard work paid off. The program "Concert Hall", aired in its FM station DZFE, was cited by the KBP Golden Dove Awards as "Best Program Promoting Culture and Arts" while DZFE was named "Best Non-Commercial Radio Station" in October 1999-2000.

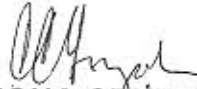
In October 2000, FEBC's AM station 702 DZAS was also recognized as the most child-friendly station by the KBP and UNICEF for the second time. In 2002, it was KBP Golden Dove awards' "Best Non-Commercial Station in Metro Manila". In 2004, it ranked 4<sup>th</sup> among the radio stations all over the country, based on a nationwide research conducted by AC Nielsen Media Research. It also received the "Texters' Choice for Best AM Station in Metro Manila" award from KBP Golden Dove Awards.

In June 2008, FEBC celebrated its 60<sup>th</sup> year of successful broadcasting with the theme "Anim na Dekada ng Pagpapala" in celebration of God's faithfulness to the radio network.

In 2009 a new transmitter was installed for DZFE-FM to increase the potential reach of its signal. It was in April 2011 when the ninth FEBC regional station DZMR in Santiago City started its operation. Then, in February 2014 FEBC Philippines first Community-Centered Outreach of DZRK, "Radyo Kapitbisig", was inaugurated in Quezon, Palawan.

The programs of DZAS "Lingon sa Kasaysayan" became a finalist for "Best Radio Documentary Program", "Tanikalang Lagot" for "Best Drama Program", and "Entre Pinoy Espesyal", for "Best Variety Show Radio", while Mr. Jordan Escusa of the program "Perfect Rhythm" was awarded as "Best Radio Jock".

The recognitions accorded to FEBC serve as a testament to its excellent track record. This merits the renewal of its franchise in order to ensure the continuing efficient and outstanding service FEBC renders to the Filipino people.

  
**HON. CINCHONA CRUZ-GONZALES**  
Representative, CIBAC Party List

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**AN ACT**  
**RENEWING THE FRANCHISE GRANTED TO FAR EAST BROADCASTING COMPANY (PHILIPPINES), INC. UNDER REPUBLIC ACT NO. 8115 OR "AN ACT GRANTING THE FAR EAST BROADCASTING COMPANY (PHILIPPINES), INC., A FRANCHISE TO CONSTRUCT, MAINTAIN AND OPERATE NON-COMMERCIAL RADIO BROADCASTING STATIONS IN THE PHILIPPINES.**

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

**Sec. 1. Nature and Scope of Franchise.** — Subject to the provisions of the Constitution and applicable laws, rules and regulations there is hereby granted to the Far East Broadcasting Company (Philippines), Inc., hereunder referred to as the grantee, its successors or assigns, a franchise to construct, install, operate and maintain for non-commercial purposes and in the public interest, radio and television broadcasting stations in the Philippines, including digital radio and television systems, IP-related services and IP value-added services, and any new technologies in radio and television as are presently available or will be available through technical advances or innovations in the future, with the corresponding technological auxiliaries or facilities for special broadcast and other program and distribution services, including relay stations, microwave, satellite or whatever means of transmission; and to install radio communication facilities for the grantee's private use in its broadcast services.

**Sec. 2. Manner of Operation of Stations or Facilities.** — The stations or facilities of the grantee shall be constructed and operated in a manner as will, at most, result only in the minimum interference on the wavelengths or frequencies, without in any way diminishing its own right to use its selected wavelengths or frequencies and the quality of transmission or reception thereof as should maximize rendition of the grantee's service and/or availability.

**Sec. 3. Prior Approval of the National Telecommunications Commission.** — The grantee shall secure from the National Telecommunications Commission the appropriate permits and licenses for its stations and shall not use any frequency in the radio/television spectrum without having been authorized by the Commission. The Commission, however, shall not unreasonably withhold or delay the grant of any such authority nor impose unnecessary requirements that would impede immediate start of the contemplated service.

**Sec. 4. Responsibility to the Public.** -- The grantee shall provide reasonable public service time to enable the government, through the said broadcasting stations, to reach the population on important public issues; provide at all times sound and balanced programming; assist in the functions of public information and education; conform to the ethics of honest enterprise; and not 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 to the detriment of the public interest, or to incite, encourage, or assist in subversive or treasonable acts.

**Sec. 5. Right of Government.** — A special right is hereby reserved to the President of the Philippines, in times of war, rebellion, public peril, calamity, emergency, disaster or disturbance of peace and order, 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, upon due compensation to the grantee, for the use of said stations or facilities during the period when they shall be so operated.

**Sec. 6. Term of Franchise.** — This franchise shall be in effect for a term of twenty-five (25) years, unless sooner revoked or cancelled. This franchise shall be deemed *ipso facto* revoked in the event that grantee, through its own fault, fails to comply with any of the following conditions: (a) commence operations within two (2) years from the approval of its operating permit by the NTC; (b) operate continuously for two (2) years; and (c) commence operations within three (3) years from the effectivity of this Act.

**Sec. 7. Acceptance and Compliance.** — Acceptance of this franchise shall be given in writing within sixty (60) days after approval of this Act. Refusal or failure to accept the franchise or to operate within the prescribed period shall render this franchise void.

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

**Sec. 9. Warranty in Favor of National and Local Governments.** - The grantee shall hold the national, provincial, city and municipal governments of the Philippines harmless from all claims, accounts, demands or actions arising out of accidents or injuries, whether to property or to persons, caused by the construction or operation of the stations of the grantee.

**Sec. 10. Sale, Lease, Transfer, Usufruct or Assignment** — The grantee shall neither lease, transfer, grant the usufruct of, sell or assign this franchise, or the rights and privileges acquired therein, to any person, firm, company, corporation or other commercial or legal entity, or merge with any other corporation or entity, nor shall the controlling interest of the grantee be transferred, whether as a whole or in parts, and whether simultaneously or contemporaneously, to any such person, firm, company, corporation or entity, without the prior approval of the Congress of the Philippines: Provided, that the foregoing limitations shall not apply to: (1) any transfer or issuance of shares to any investor pursuant to or in connection with any increase in the grantee's authorized capital stock which shall result in the dilution of the stockholdings of the grantee's then existing stockholders; (2) any transfer or sale of shares of stock to an investor or investors; (3) any sale, transfer, or assignment by the stockholders of the grantee in favor of a holding company whose stockholders are identical to the stockholders of the grantee; (4) any combination thereof where such transfer, sale, or issuance is effected in order to enable the grantee to raise the necessary capital or financing for the provision of any of the services authorized by this Act and/or carry out any of the purposes for which the grantee has been incorporated or organized: Provided, further, that any such transfer, sale or issuance is in accordance with any applicable constitutional limitation. Any person or entity to which this franchise is sold, transferred or assigned, shall be subject to all the same conditions, terms, restrictions, and limitations of this Act.

**Sec. 11. Equality Clause.** - Any advantage, favor, privilege, exemption or immunity granted under existing franchises, or which may hereafter be granted for radio and/or television broadcasting, shall *ipso facto* become part of this franchise and shall be accorded immediately and unconditionally to the herein grantee: Provided, however, that the foregoing shall neither apply to nor affect provisions of broadcasting franchises concerning territory covered by the franchise, the life span of the franchise or the type of

**Sec. 12. General Broadcast Policy Law.** - The grantee shall comply with and be subject to the provisions of a general broadcast policy law, which Congress may hereafter enact.

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

**Sec 14. Repealability and Non-exclusivity Clause.** - This franchise shall be subject to amendment, alteration or repeal by the Congress of the Philippines when the public interest so requires and shall not be interpreted as an exclusive grant of the privileges herein provided for.

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

Approved,