

Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City

Seventeenth Congress
First Regular Session

HOUSE BILL NO. 4820



Introduced by Representative JOEY SARTE SALCEDA

AN ACT EXTENDING THE FRANCHISE GRANTED TO CATHOLIC BISHOPS' CONFERENCE OF THE PHILIPPINES, INC. (FORMERLY THE CATHOLIC WELFARE ORGANIZATION) TO CONSTRUCT, INSTALL, ESTABLISH, OPERATE AND MAINTAIN RADIO AND/OR TELEVISION BROADCASTING STATIONS IN THE PHILIPPINES UNDER REPUBLIC ACT NUMBERED SEVENTY-FIVE HUNDRED AND THIRTY FOR ANOTHER TWENTY-FIVE (25) YEARS FROM 04 AUGUST 2017 AND FOR OTHER PURPOSES

EXPLANATORY NOTE

This bill seeks to extend the franchise granted to Catholic Bishops Conference Of The Philippines, Inc. (CBCP), under Republic Act No. 7530 entitled, "*An Act Extending the Franchise Granted to the Catholic Bishops' Conference of the Philippines, Inc., (formerly the Catholic Welfare Organization) to Construct, Operate and Maintain Radio Broadcasting and Television Stations in the Philippines under Republic Act No. 5172 to another Twenty-Five (25) Years from August 4, 1992 And For Other Purposes.*"

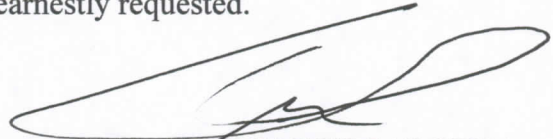
The twenty-five (25) year term granted to CBCP under Republic Act No. 7530 will expire on August 4, 2017. The extension of CBCP's legislative franchise holds great significance for the CBCP as the official organization of the hierarchy of the Catholic Church in the Philippines. CBCP is responsible for carrying on the propagation various apostolates, charity works, value formation and good governance and the promotion of the good news of God through catholic doctrines, good values and good virtues for the benefit and goodness of the Philippines as a nation.

Since the establishment of its broadcast institutions through its member Corporation Soles in the different regions of the Philippines, CBCP has upheld its responsibility to the public at large through its clear delivery of the news, typhoon warnings and disaster reliefs using the dialect of its respective coverage regions. Using radio and television, CBCP had the privilege of bringing to the masses great events like the pontifical visits of Pope Paul VI in 1970, Pope John Paul II in 1981 and 1995 and Pope Francis in 2015, as well as the EDSA One Revolution in 1986 and EDSA Dos in 2000.

Communications and media play a vital role in the development and growth of our country. The state policy is laid down in the 1987 Constitution which provides that, "The state recognizes the vital role of communication and information and dissemination of information is broadcast media particularly radio in the remote places of the Philippines.

It is imperative that the government continue to play an active role in sustaining and encouraging the development of broadcast media.

In the view of foregoing, approval of this bill earnestly requested.



REP. JOEY SARTE SALCEDA

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Be it enacted by the Senate and the House of Representatives of the Philippines in congress Assembled:

Section 1. *Nature and Scope of the Franchise.* – Subject to the provisions of the 1987 Philippine Constitution and applicable laws, rules and regulations, the franchise granted to Catholic Bishops' Conference of the Philippines, Inc. (formerly Catholic Welfare Organization), hereunder referred to as the grantee, and/or its successors and assignees to construct, install, establish, operate and maintain for religious, educational, cultural, non-stock and non-profit purposes and in the interest of the public radio and/or television broadcasting stations in the Philippines, where frequencies and/or channels are still available or are assigned for radio and/or television broadcasting, including digital television and/or radio systems, through microwave, satellite, or the use of any new technologies in television and/or radio systems, with the corresponding technological auxiliaries and/or facilities, special broadcast, and other program and distribution services and relay stations, under Republic Act No. 7530 is hereby extended for another twenty five years (25) years from 04 August 2017.

Section 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 of other existing stations which may be established by law without in any way diminishing its own right to use its selected wavelengths or frequencies and the quality of transmission or reception thereon as should maximize rendition of the grantee's services and/or the availability thereof.

Section 3. *Prior Approval of the National Telecommunications Commission.* – The grantee shall secure from the National Telecommunications Commission (NTC) the appropriate permits and licenses for its stations and shall not use any frequency in the radio

and television spectrum without having been authorized by the NTC. The NTC, however, shall not unreasonably withhold or delay the grant of any such authority.

Section 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; promote public participation such as in community 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, or to the detriment of the public interest, or to incite, encourage, or assist in subversive or treasonable acts.

Section 5. *Right of Government.* – A special right is hereby reserved to the President of the Philippines, in times of rebellion, public peril, calamity, emergency, disaster or disturbance of peace and order, to temporarily take over and operate the stations of the grantee, to temporarily suspend the operation of any station 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 during the period when they shall be so operating.

Section 6. *Term of Franchise.* – This franchise shall be for a term of twenty-five (25) years from 04 August 2017, unless sooner revoked or cancelled. In the event the grantee fails to operate continuously for two (2) years, this franchise shall be deemed ipso facto revoked.

Section 7. *Acceptance and Compliance.* – Acceptance of this extension of franchise shall be given in writing to the Congress of the Philippines, through the Committee on Legislative Franchises of the House of Representatives and Committee on Public Services of the Senate, within sixty (60) days after the effectivity of this Act. Upon giving such acceptance, the grantee shall exercise the privileges granted under this Act. Refusal or failure to accept the franchise or to operate within the prescribed period shall render the franchise void.

Section 8. *Tax Provisions.* – In consideration of its outstanding public service in the fields of education, culture and public information and in consideration of the equal value of the free use of its facilities including radio broadcast time by the Philippine Government, the grantee shall be exempt from payment of taxes, customs duties and other similar charges on the importation of equipment, spare parts and supplies to be actually, directly and exclusively used in and for its radio and/or television broadcast operations as certified by the National Telecommunications Commission or its legal successors: Provided, that, any violation of such condition will subject the importation involved to the payment of taxes, customs duties and other similar charges at double the rates assessed.

Unless exempted therefrom, the grantee shall be liable for taxes on its real estate, buildings and personal property, used in the operation of its radio broadcasting and television stations, exclusive of the franchise, as other persons or corporations are now or hereafter may be required by law to pay. The grantee shall pay all other taxes that may be imposed by the National Internal Revenue Code by reason of this franchise.

Section 9. *Self-Regulation by and Undertaking of Grantee.* – The grantee shall not require any previous censorship of any speech, play, act, scene or other matter to be broadcast and/or telecast from its stations; but if any such speech, play, act, scene or other matter should

constitute a violation of the law infringement of a private right, the grantee shall be free from any liability, civil or criminal, for -such speech, play, act, scene or other matter. Provided, that the grantee, during any broadcast and telecast, shall cut-off from the air the speech, play, act 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.

Section 10. *Warranty in Favor of National and Local Governments.* – The grantee shall hold the national, provincial 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.

Section 11. *General Broadcast Policy Act.* – The grantee shall comply with and be subject to the provisions of a general broadcast policy law that may hereafter be enacted.

Section 12. *Sale, Lease, Transfer, Usufruct, etc.* – The grantee shall not lease, transfer, grant the usufruct of, sell or assign this franchise nor the rights and privileges acquired thereunder to any person, firm, company, corporation or other commercial or legal entity, nor shall the controlling interest in the grantee be transferred to any such private person, firm, company, corporation or entity without the prior approval of the Congress of the Philippines. 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.

Section 13. *Parity Clause.* – In the event any entity, individual, partnership or corporation, has received or shall receive from the Congress of the Republic of the Philippines a similar broadcasting franchise, whether for radio and/or television including digital broadcasting through satellite, microwave or any new technology, containing any term or terms more favorable than those herein granted or tending to place the herein grantee at any disadvantage, then such term or terms shall ipso facto become a part of the terms hereof and shall operate equally in favor of the grantee as in the case of said competing individual, partnership or corporation.

Any advantage, favor, privilege, exemption or immunity granted under existing franchise or which may hereafter be granted for radio and/or television broadcasting, upon prior review and approval of Congress, shall 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 the provisions of broadcasting franchises concerning territory covered by the franchise, the life span of the franchise or the type of service authorized by the franchise: Provided, further, that the foregoing shall not apply to sale, lease, transfer, grant of usufruct or assignment of legislative franchise with prior Congressional Approval.

Section 14. *Reportorial Requirement.* – The grantee shall submit an annual report of its operations to the Congress of the Republic of the Philippines on its compliance with the terms and conditions of the franchise and on its operations within sixty (60) days from the end of every year.

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

Section 16. *Repealing 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.

Section 17. *Effectivity Clause.* – This Act shall take effect fifteen (15) days from the date of its publication in at least two (2) newspapers of general circulation in the Philippines.

Approved,