

Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City
SEVENTEENTH CONGRESS
First Regular Session

HOUSE BILL NO. 5700



Introduced by: **HON. ANICETO "JOHN" D. BERTIZ, III**

EXPLANATORY NOTE

This bill seeks to renew the franchise granted to Radio Sorsogon Network, Inc., under republic Act No. 7635 entitled, "An Act Granting Radio Sorsogon Network, Inc. a Franchise to Construct, Install, Operate and Maintain Radio/Television Broadcasting Stations Within the Bicol Region and for Other Purposes," enacted into law on July 24, 1992.

The Radio Sorsogon Network, Inc., is an entity that has been granted authority by the state to operate for the last 25 years. It has began in its broadcast in 1992, through its station DZRS-AM, serving the people of Sorsogon through its public service, and current affairs programs. In 2016, it branched out in the FM band, establishing DWQS-FM in Sorsogon City.

Media plays a crucial role in the development and growth of our country. Through the years, the Radio Sorsogon Network, Inc., has exemplified this role, especially in every crisis - be it a ravaging typhoons or in any emergencies (man-made or natural disasters), giving the much needed updates and information to the people, and connecting their concerns with the appropriate government authorities.

The Radio Sorsogon Network, Inc. has served the Bicolanos in disseminating vital information, in pursuit of the constitutional recognition of the State of the vital role of communication and information in nation building.

The term of the franchise of the Radio Sorsogon Network, Inc., which is twenty five (25) years, will expire on July 2017.

It is therefore imperative that the continuation of this kind of public service be given the State's imprimatur, and support.

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

ANICETO "JOHN" D. BERTIZ, III

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AN ACT

RENEWING THE FRANCHISE GRANTED TO RADIO SORSOGON NETWORK INCORPORATED UNDER REPUBLIC ACT NO. 7635 ENTITLED "AN ACT GRANTING RADIO SORSOGON NETWORK, INC. A FRANCHISE TO CONTRUCT, INSTALL, OPERATE AND MAINTAIN RADIO/TELEVISION BROADCASTING STATIONS WITHIN BICOL REGION AND FOR OTHER PURPOSES" FOR ANOTHER TWENTY-FIVE (25) YEARS FROM THE EFFECTIVITY OF THIS ACT

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

Section 1. *Nature and Scope of Franchise.*— Subject to the provisions of the Constitution and applicable laws, rules and regulations, there is hereby granted to Radio Sorsogon Network, Inc., hereunder referred to as the grantee, its successors or assigns a franchise to construct, install, operate and maintain for commercial purposes and in the public interest radio/television broadcasting stations in the Bicol Region with the corresponding technological auxiliaries and facilities, special broadcast and other program and distribution services and relay stations, and to install radio communication facilities for the grantee's private use in its broadcast services.

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 the other existing station or 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 Telecommunication 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.

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 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.

Section 5. *Rights 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 operated.

The radio spectrum is a finite resource that is part of the national patrimony and the use thereof is a privilege conferred upon the grantee by the State and may be withdrawn any time after due process.

Section 6. *Term of Franchise.*— This franchise shall be for a term of twenty-five (25) years from the date of approval of this Act, unless sooner revoked or canceled. 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 franchise shall be given in writing within sixty (60) days after approval of this Act. Upon giving such acceptance, the grantee shall exercise the privileges granted under this Act. Non acceptance shall render the franchise void.

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

Section 9. *Self-regulation by and Undertaking of the 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: Provided, further, That 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, 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.

Section 11. *Non-transferability of Franchise.* – The Grantee shall not lease, transfer, grant the usufruct of, sell nor assign this franchise or the rights and privileges acquired thereunder to any person, firm, company, corporation or other commercial or legal entity, nor 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. The conditions, terms, restrictions and limitations set by this Act shall be imposed on any person or entity to which this franchise is sold, transferred or assigned.

Section 12. *Dispersal of Ownership.* – In accordance with the constitutional provision to encourage public participation in public utilities, the Grantee shall offer at least, thirty per centum (30%) or a higher percentage that may hereafter be provided by law of its outstanding capital stock in any securities exchange in the Philippines within five (5) years from the time it has achieved the status of a national broadcasting network. A "national broadcasting network" is hereby defined as one that operates three (3) or more radio and/or television stations. Noncompliance therewith shall render the franchise ipso facto revoked.

Section 13. *Equality Clause.* – Any advantage, favor, privilege, exemption or immunity granted under existing franchise, 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 service authorized by the franchise.

Section 14. *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.

Section 15. *Reportorial Requirement.* – The Grantee shall submit an annual report to the Congress 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 16. *Separability Clause.* – If any of the sections or provisions of this Act is held invalid, all other provisions not affected thereby shall remain valid.

Section 17. *Repeatability 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 18. *Effectivity Clause.* - This Act shall take effect fifteen (15) days after its publication, upon the initiative of the grantee, in at least two (2) newspapers of general circulation in the Philippines.

Approved,