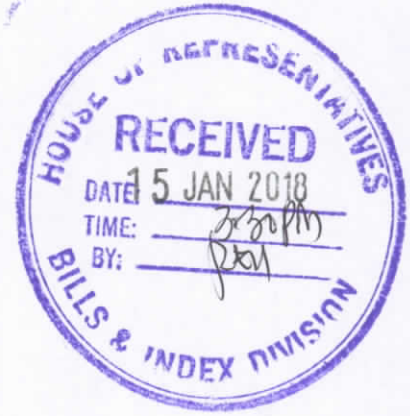


Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City

SEVENTEENTH CONGRESS
Second Regular Session

House Bill No. **6953**



Introduced by Representative GLORIA MACAPAGAL ARROYO

**AN ACT RENEWING THE FRANCHISE GRANTED TO RAJAH BROADCASTING
NETWORK, INC. TO CONSTRUCT, INSTALL, ESTABLISH, OPERATE AND
MAINTAIN RADIO AND TELEVISION BROADCASTING STATIONS IN THE
PHILIPPINES UNDER REPUBLIC ACT NUMBERED EIGHTY-ONE HUNDRED AND
FOUR FOR ANOTHER**

EXPLANATORY NOTE

This bill seeks to renew the franchise granted to Rajah Broadcasting Network, Inc. under Republic Act 8104 which took effect last July 9, 1995. This franchise term was for twenty-five (25) years. Even before the passage of R.A. 8104, Rajah Broadcasting Network, Inc. was originally granted a franchise to operate for twenty-five (25) years.

The grantee, for almost fifty years, has demonstrated their unqualified support to the ideals and policies of good government and has managed to maintain a well-balanced programming in the advocacy of truth, honesty and integrity. With its standard of excellence, the station never stops improving, innovating and keeping its pace in terms of program development and quality broadcasting.

In view of the foregoing, passage of this bill is earnestly sought.

A handwritten signature in black ink, appearing to be "GMA", written above the printed name of the representative.

GLORIA MACAPAGAL ARROYO
2nd District, Pampanga

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Be it enacted by the Senate and 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 Rajah Broadcasting Network, Inc., hereunder referred to as the grantee, and/or its successors and assignees to construct, install, establish, operate and maintain for commercial 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. Eighty-One Hundred and Four is hereby extended for another twenty five years (25) years from the date of effectivity of this Act.

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 existing stations or other 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 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 the construction and operation of its stations and facilities 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.

The grantee shall not dispose or lease its facilities except to entities with radio or television franchise: *Provided*, That the grantee shall inform and secure written authorization to proceed from the NTC, and report the transaction to the NTC within

sixty (60) days after its completion: *Provided, further,* That the NTC shall determine the corresponding sanction for any violation of this provision.

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. – 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 anytime after due process.

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 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 operated.

Section 6. Term of Franchise. – This franchise shall be for a term of twenty-five (25) years from the date of effectivity of this Act, unless sooner revoked or cancelled.

Section 7. Acceptance of Franchise. – Acceptance of the terms of this franchise shall be given in writing to the Congress of the Philippines, through the Committee on Legislative Franchises of the House of Representatives and the Committee on Public Services of the Senate, within sixty (60) days from the effectivity 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. 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, but if any such speech, play, act or scene, or other matter should constitute a violation of the law or infringement of a private right, the grantee shall be free from any liability, civil or criminal, for such speech, play, act or scene, or other matter: *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 revocation and cancellation of this franchise.

Section 9. Warranty in Favor of National and Local Governments. - The grantee shall hold the national, provincial, city, and municipal governments of the Philippines free from all claims, liabilities, demands, or actions arising out of accidents, causing injury to persons or damage to properties, during the construction or operation of the stations of the grantee.

Section 10. Sale, Lease, Transfer, Usufruct, or Assignment of Franchise. - 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 11. Equality 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.

Except taxes and customs duties, any advantage, favor, privilege, exemption, or immunity granted under existing franchises, 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*, That the foregoing shall neither apply to nor affect the provisions of broadcasting franchises concerning territorial coverage, the term, or the type of service authorized by the franchise.

Section 12. Reportorial Requirement. – The grantee shall submit an annual report to the Congress of the Philippines, through the Committee on Legislative Franchises of the House of Representatives and the Committee on Public Services of the Senate, on its compliance with the terms and conditions of the franchise and on its operations on or before April 30 of every year during the term of its franchise. The reportorial compliance certificate issued by Congress shall be required before any application for permit or certificate is accepted by the NTC.

Section 13. 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 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.

Section 15. 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.